

**WT MICROELECTRONICS CO., LTD. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
MARCH 31, 2025 AND 2024**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

### *Introduction*

We have reviewed the accompanying consolidated balance sheets of WT Microelectronics Co., Ltd. and subsidiaries (the "Group") as at March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### *Scope of Review*

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit 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.

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### *Conclusion*

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

*Hsu, Sheng-Chung*

Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan

May 8, 2025

*Sung-Tse Wang*

SUNG-TSE WANG

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2025, DECEMBER 31, 2024 AND MARCH 31, 2024**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	March 31, 2025		December 31, 2024		March 31, 2024		
			AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets									
1100	Cash and cash equivalents	6(1)	\$ 43,518,245	10	\$ 39,727,726	10	\$ 55,010,088	19	
1110	Financial assets at fair value	6(2)							
	through profit or loss - current		10,487	-	19,298	-	53,701	-	
1120	Financial assets at fair value	6(3)							
	through other comprehensive								
	income - current		307,462	-	367,589	-	907,979	-	
1170	Accounts receivable, net	6(4) and 7	148,306,268	34	142,094,108	34	108,528,663	37	
1200	Other receivables	6(4)(5)	6,322,514	1	5,956,485	1	7,479,872	3	
130X	Inventories	6(6)	171,394,132	40	160,927,874	39	100,361,216	34	
1410	Prepayments		2,107,205	1	2,126,440	1	1,400,667	-	
1470	Other current assets	6(1) and 8	495,186	-	766,714	-	587,989	-	
11XX	Total current assets		372,461,499	86	351,986,234	85	274,330,175	93	
Non-current assets									
1510	Financial assets at fair value	6(2)							
	through profit or loss - non-								
	current		375,852	-	391,828	-	384,442	-	
1517	Financial assets at fair value	6(3)							
	through other comprehensive								
	income - non-current		10,490,160	2	11,662,725	3	13,430,714	5	
1550	Investments accounted for	6(7)							
	using equity method		28,432	-	31,612	-	44,592	-	
1600	Property, plant and equipment	6(8)	3,320,753	1	3,191,522	1	1,270,018	1	
1755	Right-of-use assets	6(9)	2,051,980	1	2,255,876	1	993,351	-	
1760	Investment property - net	6(10)	186,107	-	186,949	-	189,476	-	
1780	Intangible assets	6(11)	41,098,051	10	40,847,105	10	3,405,385	1	
1840	Deferred income tax assets		1,646,131	-	1,454,225	-	921,330	-	
1900	Other non-current assets		550,729	-	482,210	-	507,847	-	
15XX	Total non-current assets		59,748,195	14	60,504,052	15	21,147,155	7	
1XXX	Total assets		\$ 432,209,694	100	\$ 412,490,286	100	\$ 295,477,330	100	

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**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2025, DECEMBER 31, 2024 AND MARCH 31, 2024**  
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	<b>Current liabilities</b>							
2100	Short-term borrowings	6(12)	\$ 39,961,156	9	\$ 35,412,779	9	\$ 27,314,309	9
2110	Short-term notes and bills payable	6(13)	2,398,952	1	1,598,968	-	-	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	29,828	-	138	-	451	-
2130	Contract liabilities - current	6(23)	1,022,433	-	1,132,253	-	1,318,950	1
2170	Accounts payable	7	209,694,482	49	186,740,851	45	148,627,515	50
2200	Other payables	6(14)	10,384,964	2	9,009,470	2	7,086,191	3
2230	Current income tax liabilities		2,730,104	1	2,157,158	1	932,106	-
2280	Lease liabilities - current		720,721	-	740,498	-	234,320	-
2320	Long-term liabilities, current portion	6(15)	7,520,782	2	73,218	-	90,443	-
2365	Refund liabilities - current	6(23)	1,776,302	-	1,572,327	-	891,287	-
2399	Other current liabilities		925,297	-	1,897,226	1	61,358	-
21XX	<b>Total current liabilities</b>		<u>277,165,021</u>	<u>64</u>	<u>240,334,886</u>	<u>58</u>	<u>186,556,930</u>	<u>63</u>
	<b>Non-current liabilities</b>							
2540	Long-term loans	6(15)	42,170,563	10	63,366,390	16	19,747,317	7
2570	Deferred income tax liabilities		3,361,846	1	3,296,245	1	1,134,773	1
2580	Lease liabilities - non-current		1,067,742	-	1,220,065	-	445,179	-
2600	Other non-current liabilities		461,797	-	409,428	-	1,135,084	-
25XX	<b>Total non-current liabilities</b>		<u>47,061,948</u>	<u>11</u>	<u>68,292,128</u>	<u>17</u>	<u>22,462,353</u>	<u>8</u>
2XXX	<b>Total liabilities</b>		<u>324,226,969</u>	<u>75</u>	<u>308,627,014</u>	<u>75</u>	<u>209,019,283</u>	<u>71</u>
	<b>Equity attributable to owners of parent</b>							
	Share capital	6(18)						
3110	Common stock		11,171,467	3	11,164,167	3	10,229,417	3
3120	Preferred stock		1,350,000	-	1,350,000	-	1,350,000	-
3130	Certificates of entitlement to new shares from convertible bonds		41,215	-	7,370	-	78,935	-
	Capital surplus	6(19)						
3200	Capital surplus		47,926,666	11	47,673,484	11	37,538,813	13
	Retained earnings	6(20)						
3310	Legal reserve		4,717,884	1	4,717,884	1	4,311,098	1
3320	Special reserve		-	-	-	-	1,564,387	1
3350	Unappropriated retained earnings		29,505,308	7	27,052,694	7	20,551,087	7
	Other equity interest	6(21)						
3400	Other equity interest		13,001,043	3	10,909,959	3	9,937,479	4
31XX	<b>Equity attributable to owners of the parent</b>		<u>107,713,583</u>	<u>25</u>	<u>102,875,558</u>	<u>25</u>	<u>85,561,216</u>	<u>29</u>
36XX	Non-controlling interest	6(22)	269,142	-	987,714	-	896,831	-
3XXX	<b>Total equity</b>		<u>107,982,725</u>	<u>25</u>	<u>103,863,272</u>	<u>25</u>	<u>86,458,047</u>	<u>29</u>
	Commitments and contingent liabilities	9						
	Significant subsequent events	11						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 432,209,694</u>	<u>100</u>	<u>\$ 412,490,286</u>	<u>100</u>	<u>\$ 295,477,330</u>	<u>100</u>

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

**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE MONTHS ENDED MARCH 31, 2025 AND 2024**

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

		Notes	Three months ended March 31			
			2025		2024	
			AMOUNT	%	AMOUNT	%
Items						
4000	Operating revenue	6(23) and 7	\$ 247,424,457	100	\$ 192,651,373	100
5000	Operating costs	6(6) and 7	( 236,103,170)	( 95)	( 187,781,750)	( 97)
5900	Gross profit		11,321,287	5	4,869,623	3
	Operating expenses	6(28)				
6100	Selling expenses		( 4,941,602)	( 2)	( 1,608,295)	( 1)
6200	General and administrative expenses		( 1,505,496)	( 1)	( 438,056)	( 1)
6300	Research and development expenses		( 202,052)	-	( 212,216)	-
6450	Impairment loss determined in accordance with IFRS 9	12(2)	( 101,631)	-	( 531)	-
6000	Total operating expenses		( 6,750,781)	( 3)	( 2,259,098)	( 2)
6900	Operating profit		4,570,506	2	2,610,525	1
	Non-operating income and expenses					
7100	Interest income	6(24)	149,407	-	76,935	-
7010	Other income	6(25)	48,729	-	37,579	-
7020	Other gains and losses	6(26)	45,835	-	111,510	-
7050	Finance costs	6(27)	( 1,309,545)	( 1)	( 846,147)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	( 3,485)	-	( 7,932)	-
7000	Total non-operating income and expenses		( 1,069,059)	( 1)	( 628,055)	-
7900	Profit before income tax		3,501,447	1	1,982,470	1
7950	Income tax expense	6(30)	( 789,631)	-	( 366,136)	-
8200	Profit for the period		\$ 2,711,816	1	\$ 1,616,334	1

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**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE MONTHS ENDED MARCH 31, 2025 AND 2024**

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

		Three months ended March 31			
		2025		2024	
Items	Notes	AMOUNT	%	AMOUNT	%
<b>Other comprehensive income</b>					
<b>Components of other comprehensive (loss) income that will not be reclassified to profit or loss</b>					
8316	Unrealised (loss) gain on valuation of equity investment instruments measured at fair value through other comprehensive income	6(21)(22)			
		(\$ 1,247,287)	-	\$ 2,603,058	1
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss				
		( 1,247,287)	-	2,603,058	1
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations	6(21)(22)			
		2,364,838	1	2,424,662	1
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(21) and 7			
		( 33)	-	689	-
8360	Other comprehensive income that will be reclassified to profit or loss				
		2,364,805	1	2,425,351	1
8300	<b>Total other comprehensive income for the period</b>				
		\$ 1,117,518	1	\$ 5,028,409	2
8500	<b>Total comprehensive income for the period</b>				
		\$ 3,829,334	2	\$ 6,644,743	3
Profit attributable to:					
8610	Owners of the parent				
		\$ 2,706,964	1	\$ 1,590,013	1
8620	Non-controlling interest				
		4,852	-	26,321	-
		\$ 2,711,816	1	\$ 1,616,334	1
Comprehensive income attributable to:					
8710	Owners of the parent				
		\$ 3,811,380	2	\$ 6,585,774	3
8720	Non-controlling interest				
		17,954	-	58,969	-
		\$ 3,829,334	2	\$ 6,644,743	3
Earnings per share (in dollars)					
9750	Basic earnings per share	6(31)			
		\$ 2.42		\$ 1.57	
9850	Diluted earnings per share				
		\$ 2.40		\$ 1.55	

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

**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**THREE MONTHS ENDED MARCH 31, 2025 AND 2024**  
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent												

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



**WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**THREE MONTHS ENDED MARCH 31, 2025 AND 2024**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 3,501,447	\$ 1,982,470
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	300,563	108,692
Amortisation	6(28)	110,690	28,771
Impairment loss determined in accordance with IFRS 9	12(2)	101,631	531
Impairment loss on non-financial assets	6(11)	104,320	-
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	6(26)	118,287	( 230,847 )
Share-based payments	6(17)	79,730	16,283
Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	3,485	7,932
Loss on disposal of property, plant and equipment, net	6(26)	730	1,265
Interest expense	6(27)	794,760	445,023
Interest income	6(24)	( 149,407 )	( 76,935 )
Dividend income	6(25)	( 9,028 )	( 21,239 )
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		( 4,635,432 )	8,959,644
Other receivables		( 95,528 )	( 1,493,700 )
Inventories		( 8,625,517 )	( 4,347,190 )
Prepayments		( 38,060 )	17,875
Other current assets (including contract assets)		155,315	( 14,790 )
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		( 60,509 )	162,700
Contract liabilities		( 121,119 )	( 190,020 )
Accounts payable		20,785,383	( 2,764,590 )
Other payables		1,139,174	1,878,723
Other current liabilities (including refund liabilities)		210,438	( 259,365 )
Net defined benefit liability		13,071	( 11,431 )
Cash inflow generated from operations		13,684,424	4,199,802
Interest received		149,407	76,935
Dividends received		9,028	21,239
Interest paid		( 815,790 )	( 414,170 )
Income taxes paid		( 207,225 )	( 66,949 )
Net cash flows from operating activities		12,819,844	3,816,857

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024  
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		( \$ 1,307 )	( \$ 1,895 )
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	-	8,208,757
Decrease in other financial assets		122,962	-
Acquisition of property, plant and equipment	6(33)	( 188,201 )	( 24,124 )
Proceeds from disposal of property, plant and equipment		1,732	4,292
Acquisition of intangible assets	6(11)	( 10,012 )	( 68 )
Increase in guarantee deposits		( 291 )	( 8,820 )
Decrease in guarantee deposits		1,679	39,437
(Increase) decrease in other non-current assets		( 75,619 )	19,669
Acquisition of non-controlling interests	7	( 985,795 )	-
Proceeds from disposal of intangible assets	6(26)	382	-
Net cash flows (used in) from investing activities		( 1,134,470 )	8,237,248
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(34)	425,107,092	228,626,378
Decrease in short-term borrowings	6(34)	( 420,460,347 )	( 222,876,459 )
Increase (decrease) in short-term notes and bills payable	6(34)	791,590	( 350,292 )
Proceeds from long-term loans	6(34)	65,657,669	19,280,000
Repayments of long-term loans	6(34)	( 79,395,628 )	( 12,241,897 )
Payment of lease liabilities	6(34)	( 188,820 )	( 64,515 )
Increase (decrease) in other non-current liabilities		43,734	( 53,413 )
Employee stock options exercised		218,448	452,072
Capital injection		-	7,396,604
Net cash flows (used in) from financing activities		( 8,226,262 )	20,168,478
Effect of exchange rate changes on cash and cash equivalents		331,407	39,956
Net increase in cash and cash equivalents		3,790,519	32,262,539
Cash and cash equivalents at beginning of period		39,727,726	22,747,549
Cash and cash equivalents at end of period		<u>\$ 43,518,245</u>	<u>\$ 55,010,088</u>

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

WT Microelectronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the sales of electronic, communication components, and their components, as well as general import and export trade.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on May 8, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS<sup>®</sup>") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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) IFRS Accounting Standards 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:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of 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'	To be determined by International Accounting Standards Board
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 disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting 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.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

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 Standards 34, "Interim financial reporting" that came into effect as endorsed by the FSC.

## (2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income.
  - (c) Defined benefit assets (liabilities) recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with 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

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
  - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
  - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
  - (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
  - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary

are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
WT Microelectronics Co., Ltd.	Wintech Microelectronics Holding Limited	Investment Company	100	100	99.65	(e)
WT Microelectronics Co., Ltd.	Morrihan International Corp.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	BSI Semiconductor Pte. Ltd.	Investment Company	100	100	100	
WT Microelectronics Co., Ltd.	Nuvision Technology Inc.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	Milestone Investment Co., Ltd.	Investment Company	100	100	100	(h)
WT Microelectronics Co., Ltd.	SinYie Investment Co., Ltd.	Investment Company	-	-	100	(b)
WT Microelectronics Co., Ltd.	Techmosa International Inc.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	MSD Holdings Pte. Ltd.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	Maxtek Technology Co., Ltd.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	Analog World Co., Ltd.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	WT Semiconductor Holdings Pte. Ltd.	Investment Company	100	80	80	(g)
WT Microelectronics Co., Ltd.	WT Solomon QCE Ltd.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	WT Microelectronics (Hong Kong) Limited	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	WT Technology (H.K.) Limited	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	WT Microelectronics Singapore Pte. Ltd.	Trading Company	100	100	100	
WT Microelectronics Co., Ltd.	WT Technology Pte. Ltd.	Trading Company	100	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
WT Microelectronics Co., Ltd.	Future Electronics Inc.	Trading Company	51	51	-	(d)
Wintech Microelectronics Holding Limited	WT Microelectronics (Shanghai) Co., Ltd.	Trading Company	100	100	100	
Wintech Microelectronics Holding Limited	Promising Investment Limited	Investment Company	100	100	100	
Wintech Microelectronics Holding Limited	Wintech Microelectronics Ltd.	Trading Company	100	100	100	
Wintech Microelectronics Holding Limited	Wintech Investment Co., Ltd.	Investment Company	100	100	100	
BSI Semiconductor Pte. Ltd.	Wonchang Semiconductor Co., Ltd.	Trading Company	100	100	100	
BSI Semiconductor Pte. Ltd.	WT Technology Korea Co., Ltd.	Trading Company	4.53	4.53	4.53	
Morrihan International Corp.	Asia Latest Technology Limited	Investment Company	100	100	100	
Morrihan International Corp.	Future Electronics Inc.	Trading Company	49	49	-	(d)
Promising Investment Limited	Nino Capital Co., Ltd.	Investment Company	100	100	100	
Promising Investment Limited	Rich Web Ltd.	Investment Company	100	100	100	
Wintech Investment Co., Ltd.	WT Microelectronics (Malaysia) Sdn. Bhd.	Selling and Technology Servicing	-	100	100	(f)
Wintech Investment Co., Ltd.	WT Technology Korea Co., Ltd.	Trading Company	95.47	95.47	95.47	
Nino Capital Co., Ltd.	Shanghai WT Microelectronics Co., Ltd.	Trading Company	100	100	100	
Rich Web Ltd.	WT Microelectronics (Shenzhen) Co., Ltd.	Trading Company	100	100	100	
WT Microelectronics Singapore Pte. Ltd.	Brillnics Inc.	Investment Company	60.12	60.34	60.99	(a)(c)
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics (Thailand) Co., Limited.	Selling and Technology Servicing	100	100	100	



Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
WT Microelectronics Singapore Pte. Ltd.	WT Microelectronics India Private Limited	Selling and Technology Servicing	100	100	100	
WT Microelectronics Singapore Pte. Ltd.	Wintech Microelectronics (Malaysia) Sdn. Bhd.	Selling and Technology Servicing	100	-	-	(f)
SinYie Investment Co., Ltd.	Wintech Microelectronics Holding Limited	Investment Company	-	-	0.35	(e)
Asia Latest Technology Limited	WT Microelectronics (Shanghai) Technology Co., Ltd.	Selling and Technology Servicing	100	100	100	
Techmosa International Inc.	Morrihan Singapore Pte. Ltd.	Trading Company	100	100	100	
Maxtek Technology Co., Ltd.	HongTech Electronics Co., Ltd.	Trading Company	100	100	100	
Maxtek Technology Co., Ltd.	Lacewood International Corp.	Trading Company	100	100	100	
Brillnics Inc.	Brillnics (HK) Limited	Selling and Technology Servicing	100	100	100	
Brillnics Inc.	Brillnics Singapore Pte. Ltd.	Trading Company	100	100	100	
Brillnics (HK) Limited	Brillnics Japan Inc.	Research and Development Company	100	100	100	
Brillnics (HK) Limited	Brillnics (Taiwan) Inc.	Research and Development Company	100	100	100	
WT Semiconductor Holdings Pte. Ltd.	Excelpoint Technology Pte. Ltd.	Investment Company	100	100	100	
Analog Word Co., Ltd.	Leader's Technology Co., Ltd.	Selling and Technology Servicing	100	100	100	

- (a) Employees of BRILLNICS INC. exercised employee stock options in installments for the three months ended March 31, 2025 and 2024 and accordingly, the shareholder ratio decreased to 60.12% and 60.99%, respectively.
- (b) In November 2024, SINYIE INVESTMENT CO., Ltd. has been dissolved and liquidated.
- (c) In January 2024, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest in BRILLNICS INC. in response to the adjustment of the Group's organisational structure.

- (d) In April 2024, the Group acquired all the equity interest of FUTURE ELECTRONICS INC. by cash and it became a wholly-owned subsidiary of the Group and has been included in the consolidated financial statements since the date of acquisition.
- (e) On September 30, 2024, SINYIE INVESTMENT CO., LTD. transferred all of its shares of WINTech MICROELECTRONICS HOLDING LIMITED to WT MICROELECTRONICS CO., LTD..
- (f) In March 2025, WT MICROELECTRONICS SINGAPORE PTE. LTD. directly held all the equity interest of WT MICROELECTRONICS (MALAYSIA) SDN. BHD. in response to the adjustment of the Group's organisational structure.
- (g) The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. by cash from the non-controlling interests shareholders in February 2025. As a result, the Group's equity interest increased from 80% to 100% and WT SEMICONDUCTOR HOLDINGS PTE. LTD. became a wholly-owned subsidiary of the Group.
- (h) MILESTONE INVESTMENT CO., LTD. conducted a short-form merger with the Company (effective date set on March 1, 2025) and the registration had been completed on April 9, 2025.
- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group:

Name of Subsidiary	Principal place of business	Non-controlling interest			
		December 31, 2024		March 31, 2024	
		Amount	Ownership (%)	Amount	Ownership (%)
WT Semiconductor Holdings Pte. Ltd.	Singapore	\$ 742,022	20%	\$ 783,254	20%

Summarised financial information of WT Semiconductor Holdings Pte. Ltd.:

Balance Sheet

	December 31, 2024	March 31, 2024
Current assets	\$ 10,762,516	\$ 14,413,045
Non-current assets	2,014,113	2,071,751
Current liabilities	( 7,756,993)	( 11,196,590)
Non-current liabilities	( 142,206)	( 224,643)
Total net assets	<u>\$ 4,877,430</u>	<u>\$ 5,063,563</u>

Statement of comprehensive income

	January 1 to February 17, 2025 (Effective Date)	Three months ended March 31, 2024
Revenue	\$ 2,811,611	\$ 9,752,043
Loss for the period from continuing operations	( 48,293)	( 98,970)
Other comprehensive loss, net of tax	( 1,987)	( 8,818)
Total comprehensive loss for the period	( \$ 50,280)	( \$ 107,788)
Comprehensive (loss) income attributable to non-controlling interest	( \$ 481)	\$ 11,464
Dividends paid to non-controlling interest	\$ -	\$ -

Statement of cash flows

	January 1 to February 17, 2025 (Effective Date)	Three months ended March 31, 2024
Net cash flows used in operating activities	(\$ 992,603)	(\$ 1,065,315)
Net cash flows from (used in) investing activities	62	( 2,635)
Net cash flows from financing activities	584,324	259,629
Effect of exchange rate changes on cash and cash equivalents	3,024	45,281
Decrease in cash and cash equivalents	( 405,193)	( 763,040)
Cash and cash equivalents at beginning of period	1,260,763	1,525,980
Cash and cash equivalents at end of period	\$ 855,570	\$ 762,940

The summarised financial information of the subsidiaries stated above were based on each subgroup's consolidated balance sheets, consolidated statements of comprehensive income and consolidated statements of cash flows in their respective presentation currencies and translated into New Taiwan Dollars at the closing exchange rate at the corresponding balance sheet date and average exchange rate for the current period, respectively.

(4) Foreign currency translation

- A. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.
- B. Foreign currency transactions and balances
  - (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses.'

C. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled in the normal operating cycle;
  - (b) Liabilities that are held primarily for the purpose of trading;
  - (c) Liabilities that are due to be settled within twelve months after the reporting period;
  - (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

- A. These are financial assets that are not measured at amortised cost or at fair value through other comprehensive income and are held for trading if acquired principally for the purpose of repurchasing in the short term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. On a regular way purchase or sale basis, financial assets and liabilities at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets and financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition relating to the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are initial recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of receiving contract cash flow and selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in other comprehensive income.

(10) Impairment of financial assets

For financial assets at amortised cost at each reporting date, the Group recognises the impairment provision for twelve months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred, however, the Group has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

- A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.
- B. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	27 ~ 56 years
Office equipment	2 ~ 25 years
Other assets	2 ~ 15 years

(16) Leasing arrangements (lessee) - right-of-use assets / lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.



B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing interest rate. Lease payments are comprised of the following:

- (a) Fixed payments, less any lease incentives receivable; and
- (b) Variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date; and
- (c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognise the difference between remeasured lease liability in profit or loss.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 27 ~ 56 years.

(18) Intangible assets

- A. Goodwill arises in a business combination accounted for by applying the acquisition method.
- B. Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2 ~ 5 years.
- C. Other intangible assets, mainly customer relationship, are recorded at cost and amortised on a straight-line basis over the estimated useful life of 5 ~ 26.74 years.

(19) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal

should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

- B. The recoverable amount of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(20) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are initially recognised and subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs.

(22) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(23) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(24) Hedge accounting

- A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

- B. The Group designates the hedging relationship as follows hedge of a net investment in a foreign operation.
- C. Hedges of a net investment in a foreign operation
  - (a) It is accounted for similarly to cash flow hedges.
  - (b) The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income. The ineffective portion is recognised in profit or loss.
  - (c) The cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge that has been accumulated in the foreign currency translation reserve shall be reclassified from equity to profit or loss as a reclassification adjustment.

(25) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.
- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in

estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(26) Employee share-based payment

- A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.
- B. The grant date of cash capital increase reserved for employee preemption is the date at which the entity and the employee agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.
- C. Restricted stocks:
  - (a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date and are recognised as compensation cost over the vesting period.
  - (b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.

(27) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(28) Share capital

- A. Common stock is classified as equity. The classification of preferred stocks is determined according to the special rights attached to the preferred stocks based on the substance of the contract and the definition of financial liabilities and equity instruments. Preferred stocks are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders or Board of Directors. Cash dividends are recorded as liabilities.

(30) Revenue recognition

A. Sales of goods

- (a) The Group sells electronic components. Sales are recognised when the control of the products has been transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (b) The goods are often sold with discounts based on aggregate sales. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.
- (c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The customer pays at the time specified in the payment schedule. If the payments exceed the merchandise provided, a contract liability is recognised.

B. Services

- (a) The Group provides semiconductor development services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided at the end of the reporting period in a proportion to the total services to be provided. This is determined based on the contract costs incurred for services performed to the estimated total cost for the service contract. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

- (b) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management become aware of the changes in circumstances.

(31) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

## 5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

### (1) Critical judgements in applying the Group's accounting policies

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the goods or services before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services.
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Group has discretion in establishing prices for the goods or services.

### (2) Critical accounting estimates and assumptions

#### A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(11) for the information on goodwill impairment as of March 31, 2025.

#### B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the estimated selling price in the ordinary course of business



within the specified period before the balance sheet date. Therefore, there might be material changes to the evaluation. Refer to Note 6(6) for the carrying amount of inventory as of March 31, 2025.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on hand and revolving funds	\$ 42,443	\$ 41,013	\$ 2,879
Checking accounts and demand deposits	42,362,691	39,172,931	51,727,849
Time deposits	<u>1,113,111</u>	<u>513,782</u>	<u>3,279,360</u>
	<u>\$ 43,518,245</u>	<u>\$ 39,727,726</u>	<u>\$ 55,010,088</u>

A. The Group transacts with a variety of financial institutions all with good credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group's deposits with banks that have been pledged as collateral were classified as 'other current assets.' Refer to Note 8 for details. As of March 31, 2025, December 31, 2024 and March 31, 2024, the time deposits with maturity date over 3 months of \$35,746, \$590,551 and \$568,500, respectively, are recorded as 'other current assets.'

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

<u>Assets</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Beneficiary certificates	\$ -	\$ -	\$ 13,443
Equity instruments	5,822	5,486	7,009
Derivatives	4,665	13,812	7,649
Hybrid instrument	<u>-</u>	<u>-</u>	<u>25,600</u>
	<u>\$ 10,487</u>	<u>\$ 19,298</u>	<u>\$ 53,701</u>
Non-current items:			
Beneficiary certificates	\$ 325,229	\$ 341,765	\$ 324,507
Debt instruments	34,072	33,686	43,935
Hybrid instrument	<u>16,551</u>	<u>16,377</u>	<u>16,000</u>
	<u>\$ 375,852</u>	<u>\$ 391,828</u>	<u>\$ 384,442</u>
<u>Liabilities</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Derivatives	<u>\$ 29,828</u>	<u>\$ 138</u>	<u>\$ 451</u>

A. Amounts recognised in profit or loss in relation to financial assets and liabilities measured at fair value through profit or loss are as follows:

	Three months ended March 31,	
	2025	2024
Derivatives	(\$ 99,322)	\$ 211,149
Beneficiary certificates	( 18,729)	25,033
Equity instruments	336	1,232
Debt instruments	- ( 6,567)	
Hybrid instrument	( 572)	-
	(\$ 118,287)	\$ 230,847

B. The non-hedging derivative financial assets and liabilities and contract information are as follows:

	March 31, 2025		
	Contract amount (Notional principal) (In thousands)		Contract period
Derivative financial assets			
Current items:			
Forward foreign exchange contracts	USD (BUY)	26,365	2025.3.12~2025.6.30
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	309,863	2025.3.27~2025.6.30
	December 31, 2024		
	Contract amount (Notional principal) (In thousands)		Contract period
Derivative financial assets			
Current items:			
Forward foreign exchange contracts	USD (BUY)	287,866	2024.12.27~2025.2.20
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	51,939	2024.12.27~2025.2.20
	March 31, 2024		
	Contract amount (Notional principal) (In thousands)		Contract period
Derivative financial assets			
Current items:			
Forward foreign exchange contracts	USD (BUY)	190,000	2024.3.26~2024.6.28
Derivative financial liabilities			
Current items:			
Forward foreign exchange contracts	USD (BUY)	70,000	2024.3.28~2024.6.28

The Group entered into forward foreign exchange contracts to buy USD to hedge exchange rate risk of foreign currency. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. For the derivative transactions, the Group deals with a variety of financial institutions all with high credit quality, so it expects that the probability of counterparty default is remote.

D. The Group has no financial assets measured at fair value through profit or loss pledged to others.

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

Items	March 31, 2025	December 31, 2024	March 31, 2024
Current items:			
Equity instruments	\$ 307,462	\$ 367,589	\$ 907,979
Non-current items:			
Equity instruments	\$ 10,490,160	\$ 11,662,725	\$ 13,430,714

A. The Group has elected to classify certain strategic investments in the aforementioned equity instruments, including publicly listed and privately held companies, as financial assets measured at fair value through other comprehensive income.

B. The Group sold \$8,208,757 of listed shares at fair value to satisfy its operating capital needs which resulted in a cumulative gain on disposal of \$4,660,442 (accounted under unappropriated retained earnings) during the three months ended March 31, 2024. The Group had no disposal of listed shares and unlisted shares for the three months ended March 31, 2025.

C. Refer to Note 6(21) for information on changes in fair value recognised in other comprehensive income for the three months ended March 31, 2025 and 2024.

D. The Group has no financial assets measured at fair value through other comprehensive income pledged to others as of March 31, 2025, December 31, 2024 and March 31, 2024.

(4) Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 2,406,352	\$ 2,064,637	\$ 5,031,085
Accounts receivable	146,262,964	140,291,069	103,670,479
Less: Allowance for uncollectible accounts	( 363,048)	( 261,598)	( 172,901)
Notes and accounts receivable, net	148,306,268	142,094,108	108,528,663
Overdue receivables	447,447	444,849	574,248
Less: Allowance for uncollectible accounts	( 447,447)	( 444,849)	( 574,248)
	\$ 148,306,268	\$ 142,094,108	\$ 108,528,663

A. As of March 31, 2025, December 31, 2024 and March 31, 2024, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2024, the balance of accounts receivable and notes receivable amounted to \$112,373,574.

B. Transferred financial assets that are derecognised in their entirety

- (a) As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had outstanding discounted notes receivable amounting to \$3,985,301, \$3,747,629 and \$2,247,402, respectively. However, as the notes receivable are bank's acceptance bills and are discounted without right of recourse, those discounted notes receivable were deducted directly from notes receivable.
- (b) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts receivable transferred (Amount derecognised)	<u>\$ 52,051,781</u>	<u>\$ 60,151,762</u>	<u>\$ 21,546,636</u>
Amount advanced	<u>\$ 51,207,509</u>	<u>\$ 58,804,152</u>	<u>\$ 18,865,305</u>
Amount retained (shown as 'other receivables')	<u>\$ 844,272</u>	<u>\$ 1,347,610</u>	<u>\$ 2,681,331</u>

- (c) The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- C. Transferred financial assets that are not derecognised in their entirety
- (a) The Group entered into factoring agreements with domestic financial institutions to sell its accounts receivable. Under the agreement, the Group can transfer non-L/C accounts receivable financing to financial institutions, and the banks have the right of recourse to the transferred accounts receivable. For accounts receivable that will not be recovered in the specific period, the Group will retain risk and returns of such accounts receivable. Accordingly, the Group did not derecognise the accounts receivable where the banks have the right of recourse, and related advance payments were listed in 'short-term borrowings.'
- (b) On March 31, 2025, December 31, 2024 and March 31, 2024, the Group has no accounts receivable for sales and advance payments.
- D. As of March 31, 2025, December 31, 2024 and March 31, 2024, the interest rates for amounts advanced ranged between 1.78%~5.804%, 1.85%~6.058% and 1.61%~6.66%, respectively.
- E. As of March 31, 2025, December 31, 2024 and March 31, 2024, the total limits of the accounts receivable factoring were \$137,514,183, \$136,467,204 and \$121,518,578, respectively.
- F. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group has issued a promissory note of \$199,300,254, \$197,633,122 and \$192,545,440, respectively, as performance guarantee against any business dispute.

- G. Refer to Note 6(27) for information on financing charges on accounts receivable factoring for the three months ended March 31, 2025 and 2024.
- H. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group's accounts receivable that are expected to be factored were classified as financial assets at fair value through other comprehensive income in the amounts of \$38,979,084, \$28,411,490 and \$53,221,564, respectively, and recorded as 'accounts receivable.'
- I. The Group took out a credit insurance on the accounts receivable from certain main customers, whereby 80%~90% of the receivable amount can be covered when the receivables are uncollectible. As at March 31, 2025, December 31, 2024 and March 31, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was the carrying amount of the notes and accounts receivable.
- J. The Group has no accounts receivable pledged to others.
- K. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Other receivables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
VAT refund receivable	\$ 4,274,898	\$ 3,421,695	\$ 4,516,290
Amounts retained for accounts receivable factoring	844,272	1,347,610	2,681,331
Input tax	582,099	496,876	72,901
Customs duties refund receivable	386,244	427,372	-
Others	<u>235,001</u>	<u>262,932</u>	<u>209,350</u>
	<u>\$ 6,322,514</u>	<u>\$ 5,956,485</u>	<u>\$ 7,479,872</u>

(6) Inventories

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Merchandise inventory	\$ 173,023,907	\$ 162,563,495	\$ 101,951,959
Less: Allowance for inventory obsolescence and market value decline	( <u>1,629,775</u> )	( <u>1,635,621</u> )	( <u>1,590,743</u> )
	<u>\$ 171,394,132</u>	<u>\$ 160,927,874</u>	<u>\$ 100,361,216</u>

The cost recognised as expense for the period:

	Three months ended March 31,	
	2025	2024
Cost of inventories sold	\$ 236,035,003	\$ 187,657,718
Services cost	84,325	66,602
(Gain on reversal of) loss on decline in market value	( 16,158)	57,413
Loss on disposal of inventory	-	17
	<u>\$ 236,103,170</u>	<u>\$ 187,781,750</u>

For the three months ended March 31, 2025, the Group reversed a previous inventory write-down which was accounted for as reduction of cost of good sold because the Group sold some inventories with net realisable value lower than its cost.

(7) Investments accounted for using equity method

	2025	2024
At January 1	\$ 31,612	\$ 44,539
Changes in capital surplus	-	5,549
Share of loss of investments accounted for using equity method	( 3,485)	( 7,932)
Changes in other equity items	305	2,436
At March 31	<u>\$ 28,432</u>	<u>\$ 44,592</u>

A. JCD OPTICAL (CAYMAN) LTD. increased its capital amounting to \$50,125 in February 2024.

The Group did not acquire shares proportionally to its interest. As a result, the shareholder ratio changed to 16.94% and capital surplus increased by \$5,549.

B. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

	Three months ended March 31,	
	2025	2024
Loss for the period from continuing operations	(\$ 3,485)	(\$ 7,932)
Other comprehensive (loss) income, net of tax	( 33)	689
Total comprehensive loss	<u>(\$ 3,518)</u>	<u>(\$ 7,243)</u>

(8) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Office equipment</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2025</u>					
Cost	\$484,872	\$ 2,547,206	\$ 6,000,969	\$ 1,813,430	\$ 10,846,477
Accumulated depreciation and impairment	<u>-</u>	<u>( 728,628)</u>	<u>( 5,400,858)</u>	<u>( 1,525,469)</u>	<u>( 7,654,955)</u>
	<u>\$484,872</u>	<u>\$ 1,818,578</u>	<u>\$ 600,111</u>	<u>\$ 287,961</u>	<u>\$ 3,191,522</u>
<u>2025</u>					
Opening net book amount	\$484,872	\$ 1,818,578	\$ 600,111	\$ 287,961	\$ 3,191,522
Additions	-	466	179,660	9,222	189,348
Disposals	-	-	( 1,021)	( 1,441)	( 2,462)
Reclassifications	-	3,927	2,805	( 6,732)	-
Depreciation charge	-	( 18,239)	( 53,942)	( 24,313)	( 96,494)
Net exchange differences	<u>3,688</u>	<u>24,587</u>	<u>9,659</u>	<u>905</u>	<u>38,839</u>
Closing net book amount	<u>\$488,560</u>	<u>\$ 1,829,319</u>	<u>\$ 737,272</u>	<u>\$ 265,602</u>	<u>\$ 3,320,753</u>
<u>At March 31, 2025</u>					
Cost	\$488,560	\$ 2,586,101	\$ 6,192,319	\$ 1,817,651	\$ 11,084,631
Accumulated depreciation and impairment	<u>-</u>	<u>( 756,782)</u>	<u>( 5,455,047)</u>	<u>( 1,552,049)</u>	<u>( 7,763,878)</u>
	<u>\$488,560</u>	<u>\$ 1,829,319</u>	<u>\$ 737,272</u>	<u>\$ 265,602</u>	<u>\$ 3,320,753</u>

	<u>Land</u>	<u>Buildings</u>	<u>Office equipment</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2024</u>					
Cost	\$163,048	\$ 840,435	\$ 777,534	\$ 764,443	\$ 2,545,460
Accumulated depreciation and impairment	<u>-</u>	<u>( 134,188)</u>	<u>( 567,587)</u>	<u>( 581,155)</u>	<u>( 1,282,930)</u>
	<u>\$163,048</u>	<u>\$ 706,247</u>	<u>\$ 209,947</u>	<u>\$ 183,288</u>	<u>\$ 1,262,530</u>
<u>2024</u>					
Opening net book amount	\$163,048	\$ 706,247	\$ 209,947	\$ 183,288	\$ 1,262,530
Additions	-	-	10,681	17,342	28,023
Disposals	-	-	( 2,124)	( 3,433)	( 5,557)
Depreciation charge	-	( 4,453)	( 16,770)	( 17,102)	( 38,325)
Net exchange differences	<u>-</u>	<u>15,128</u>	<u>5,667</u>	<u>2,552</u>	<u>23,347</u>
Closing net book amount	<u>\$163,048</u>	<u>\$ 716,922</u>	<u>\$ 207,401</u>	<u>\$ 182,647</u>	<u>\$ 1,270,018</u>
<u>At March 31, 2024</u>					
Cost	\$163,048	\$ 856,899	\$ 780,451	\$ 775,971	\$ 2,576,369
Accumulated depreciation and impairment	<u>-</u>	<u>( 139,977)</u>	<u>( 573,050)</u>	<u>( 593,324)</u>	<u>( 1,306,351)</u>
	<u>\$163,048</u>	<u>\$ 716,922</u>	<u>\$ 207,401</u>	<u>\$ 182,647</u>	<u>\$ 1,270,018</u>

A. Office and other equipment at March 31, 2025 and 2024 were for the Group's own use and not for lease.

(9) Leasing arrangements - lessee

- A. The Group leases various assets including land, office and warehouse. Except for right-of-use of land for periods of 20 to 50 years, the rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of twelve months or less comprise certain offices, business vehicles, parking space and printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 361,050	\$ 357,096	\$ 358,700
Buildings and structures	1,690,930	1,898,780	634,651
	<u>\$ 2,051,980</u>	<u>\$ 2,255,876</u>	<u>\$ 993,351</u>



	Three months ended March 31,	
	2025	2024
	Depreciation charge	Depreciation charge
Land	\$ 1,988	\$ 1,925
Buildings and structures	201,239	67,600
	<u>\$ 203,227</u>	<u>\$ 69,525</u>

D. For the three months ended March 31, 2025 and 2024, the additions to right-of-use assets (including the amounts acquired through business combinations) were \$11,896 and \$21,130, respectively.

E. The information on income or expense accounts relating to lease contracts is as follows:

	Three months ended March 31,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 20,243	\$ 8,482
Expense on short-term lease contracts	61,417	43,715

F. For the three months ended March 31, 2025 and 2024, the Group's total cash outflow for leases were \$270,480 and \$116,712, respectively.

(10) Investment property

	Land	Buildings	Total
<u>At January 1, 2025</u>			
Cost	\$ 147,148	\$ 106,068	\$ 253,216
Accumulated depreciation and impairment	( 1,897)	( 64,370)	( 66,267)
	<u>\$ 145,251</u>	<u>\$ 41,698</u>	<u>\$ 186,949</u>
<u>2025</u>			
Opening net book amount	\$ 145,251	\$ 41,698	\$ 186,949
Depreciation charge	-	( 842)	( 842)
Closing net book amount	<u>\$ 145,251</u>	<u>\$ 40,856</u>	<u>\$ 186,107</u>
<u>At March 31, 2025</u>			
Cost	\$ 147,148	\$ 106,068	\$ 253,216
Accumulated depreciation and impairment	( 1,897)	( 65,212)	( 67,109)
	<u>\$ 145,251</u>	<u>\$ 40,856</u>	<u>\$ 186,107</u>

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>At January 1, 2024</u>			
Cost	\$ 147,148	\$ 106,068	\$ 253,216
Accumulated depreciation and impairment	( 1,897)	( 61,001)	( 62,898)
	<u>\$ 145,251</u>	<u>\$ 45,067</u>	<u>\$ 190,318</u>
<u>2024</u>			
Opening net book amount	\$ 145,251	\$ 45,067	\$ 190,318
Depreciation charge	-	( 842)	( 842)
Closing net book amount	<u>\$ 145,251</u>	<u>\$ 44,225</u>	<u>\$ 189,476</u>
<u>At March 31, 2024</u>			
Cost	\$ 147,148	\$ 106,068	\$ 253,216
Accumulated depreciation and impairment	( 1,897)	( 61,843)	( 63,740)
	<u>\$ 145,251</u>	<u>\$ 44,225</u>	<u>\$ 189,476</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	<u>Three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Rental income from the lease of the investment property	<u>\$ 7,042</u>	<u>\$ 6,702</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 842</u>	<u>\$ 842</u>

B. The fair values of the investment property held by the Group as at March 31, 2025, December 31, 2024 and March 31, 2024 were \$778,796, \$768,394 and \$758,675, respectively, which were based on the valuation of market prices estimated using comparison approach and is categorised within Level 3 in the fair value hierarchy.

(11) Intangible assets

	<u>Goodwill</u>	<u>Software</u>	<u>Customer relationship</u>	<u>Total</u>
<u>At January 1, 2025</u>				
Cost	\$ 32,428,594	\$ 1,469,403	\$ 8,968,212	\$ 42,866,209
Accumulated amortisation and impairment	( 228,208)	( 1,295,446)	( 495,450)	( 2,019,104)
	<u>\$ 32,200,386</u>	<u>\$ 173,957</u>	<u>\$ 8,472,762</u>	<u>\$ 40,847,105</u>
<u>2025</u>				
Opening net book amount	\$ 32,200,386	\$ 173,957	\$ 8,472,762	\$ 40,847,105
Additions	-	10,012	-	10,012
Disposal	-	( 382)	-	( 382)
Amortisation charge (shown as 'general and administrative expenses')	-	( 9,015)	( 101,675)	( 110,690)
Impairment loss	( 87,419)	-	( 16,901)	( 104,320)
Net exchange differences	<u>358,084</u>	<u>2,230</u>	<u>96,012</u>	<u>456,326</u>
Closing net book amount	<u>\$ 32,471,051</u>	<u>\$ 176,802</u>	<u>\$ 8,450,198</u>	<u>\$ 41,098,051</u>
<u>At March 31, 2025</u>				
Cost	\$ 32,786,431	\$ 1,493,868	\$ 9,069,347	\$ 43,349,646
Accumulated amortisation and impairment	( 315,380)	( 1,317,066)	( 619,149)	( 2,251,595)
	<u>\$ 32,471,051</u>	<u>\$ 176,802</u>	<u>\$ 8,450,198</u>	<u>\$ 41,098,051</u>
	<u>Goodwill</u>	<u>Software</u>	<u>Customer relationship</u>	<u>Total</u>
<u>At January 1, 2024</u>				
Cost	\$ 3,008,793	\$ 173,941	\$ 692,869	\$ 3,875,603
Accumulated amortisation and impairment	( 228,202)	( 142,996)	( 164,770)	( 535,968)
	<u>\$ 2,780,591</u>	<u>\$ 30,945</u>	<u>\$ 528,099</u>	<u>\$ 3,339,635</u>
<u>2024</u>				
Opening net book amount	\$ 2,780,591	\$ 30,945	\$ 528,099	\$ 3,339,635
Additions	-	68	-	68
Reclassifications	-	928	-	928
Amortisation charge (shown as 'general and administrative expenses')	-	( 4,376)	( 24,395)	( 28,771)
Net exchange differences	<u>77,137</u>	<u>160</u>	<u>16,228</u>	<u>93,525</u>
Closing net book amount	<u>\$ 2,857,728</u>	<u>\$ 27,725</u>	<u>\$ 519,932</u>	<u>\$ 3,405,385</u>
<u>At March 31, 2024</u>				
Cost	\$ 3,085,912	\$ 176,228	\$ 709,801	\$ 3,971,941
Accumulated amortisation and impairment	( 228,184)	( 148,503)	( 189,869)	( 566,556)
	<u>\$ 2,857,728</u>	<u>\$ 27,725</u>	<u>\$ 519,932</u>	<u>\$ 3,405,385</u>

A. Goodwill is allocated to the Group's cash-generating units identified according to operating

segment as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Canada	\$ 29,635,219	\$ 29,299,473	\$ -
Greater China Region	1,204,837	1,202,104	1,196,821
All other segments	1,630,995	1,698,809	1,660,907
	<u>\$ 32,471,051</u>	<u>\$ 32,200,386</u>	<u>\$ 2,857,728</u>

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The future cash flows were estimated based on the annual revenue, gross profit and other operating expenses in the future. Management determined budgeted gross profit based on past performance and their expectations of market development. The Group's accrued average annual revenue growth rate for the three months ended March 31, 2025 and 2024 were -19.26% ~5% and 0%~5%, respectively; the assumption used for discount rate is the weighted average capital cost of the Group. As of March 31, 2025, December 31, 2024 and March 31, 2024, the key valuations used for pre-tax discount rate to reflect risk of related cash-generating units were 4.95% ~8.57%, 4.93%~8.53% and 5.73%~9.22%, respectively. Based on the aforementioned assessment, the Group recognised impairment loss amounting to \$104,320 and \$0 for the three months ended March 31, 2025 and 2024, respectively.

C. There were no intangible assets that were pledged to others.

(12) Short-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Credit loans	\$ 39,961,156	\$ 35,412,779	\$ 27,314,309
Interest rates per annum	<u>1.89%~3.69%</u>	<u>1.87%~5.03%</u>	<u>1.78%~6.46771%</u>

(13) Short-term notes and bills payable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Commercial paper	\$ 2,400,000	\$ 1,600,000	\$ -
Amortisation of discount	( 1,048)	( 1,032)	-
	<u>\$ 2,398,952</u>	<u>\$ 1,598,968</u>	<u>\$ -</u>
Coupon rate	<u>1.68%~1.77%</u>	<u>1.66%~1.91%</u>	<u>-</u>

The notes and bills were issued under securities and acceptance offered by the financial institutions to fund short-term capital. The issuance period is within 90 days.

(14) Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Accrued VAT payable	\$ 4,706,779	\$ 3,109,010	\$ 4,302,738
Salaries and bonuses payable	3,271,323	3,398,715	1,038,490
Freight payable	300,172	293,444	115,434
Insurance expense payable	254,901	257,042	138,589
Services payable	204,177	191,672	517,278
Finance costs payable	128,512	136,888	212,470
Technical service fees payable	32,801	32,614	74,962
Others	1,486,299	1,590,085	686,230
	<u>\$ 10,384,964</u>	<u>\$ 9,009,470</u>	<u>\$ 7,086,191</u>

(15) Long-term loans

Type of loans	Period	March 31, 2025		
		Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	\$ 30,000,000	2.7475%	\$ 7,890,692
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7475%	7,890,692
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2718%	10,000,000
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	12,000,000	2.2970%	3,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2604%	19,440,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.2160%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0375%	1,000,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	98,800	2%	2,140
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	123,500	2%	31,783
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	24,700	2%	1,600
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	123,500	2%	34,438
				49,691,345
Less: Long-term loans, current portion				( 7,520,782)
				<u>\$ 42,170,563</u>

Type of loans	Period	December 31, 2024		
		Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	\$ 30,000,000	2.7442%	\$ 9,754,066
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.7398%	9,754,067
Mid-term syndicated loans (note A)	2022.6.27 ~2027.6.27	24,000,000	2.2914%	13,000,000
Mid-term syndicated loans (note A)	2021.7.29 ~2026.7.29	12,000,000	2.2929%~ 2.2936%	10,000,000
Mid-term syndicated loans (note C)	2023.8.25 ~2028.8.25	20,000,000	2.2548%	19,440,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.1862%	400,000
Mid-term borrowings (KGI Bank)	2024.12.5 ~2027.12.3	1,000,000	2.0363%	1,000,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	96,520	2%	8,337
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	120,650	2%	38,720
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	24,130	2%	3,120
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	120,650	2%	41,298
				63,439,608
Less: Long-term loans, current portion				( 73,218)
				<u>\$ 63,366,390</u>

Type of loans	Period	March 31, 2024		
		Credit line	Interest rate	Amount
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	\$ 30,000,000	2.6539%~ 2.6546%	\$ 9,640,000
Mid-term syndicated loans (note B)	2024.3.27 ~2029.3.27	30,000,000	2.6539%~ 2.6546%	9,640,000
Mid-term borrowings (Export-Import Bank of the Republic of China)	2023.4.24 ~2028.4.24	400,000	2.023%	400,000
Mid-term borrowings (United Overseas Bank)	2020.4.28 ~2025.4.27	94,880	2%	26,492
Mid-term borrowings (United Overseas Bank)	2021.3.17 ~2026.3.16	118,600	2%	60,588
Mid-term borrowings (DBS Bank Ltd.)	2020.6.24 ~2025.6.23	23,720	2%	7,629
Mid-term borrowings (United Overseas Bank)	2021.4.5 ~2026.4.4	118,600	2%	63,051
				19,837,760
Less: Long-term loans, current portion				( 90,443)
				<u>\$ 19,747,317</u>

A. On April 27, 2021 and May 9, 2022, the Group's Board of Directors resolved to sign syndicated loan agreements with a financial institution amounting to NT\$12 billion and NT\$24 billion, respectively. As stipulated in the syndicated loan agreements:

- (a) Credit period: 5 years after the date of first drawdown of any credit line.
- (b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period. The borrower may apply for re-utilisation within the credit period 5 years after the date of first drawdown according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.
- (c) Financial commitment: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:
  - i. Liquidity ratio: Shall be at least 100%.
  - ii. Net debt ratio: Shall be no more than 250%.
  - iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.

B. On January 31, 2024, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT\$60 billion to support the acquisition of 100% equity interest in FUTURE ELECTRONICS INC. As stipulated in the syndicated loan agreement:

- (a) Credit item and facility: The total credit facility is NT\$60 billion.
  - (b) Credit period: 5 years after the date of first drawdown.
  - (c) Drawdown period: 5 years after the date of first drawdown. Maturity date of each borrowing shall not exceed the credit period.
  - (d) Financial commitments:
    - i. The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:
      - (i) Liquidity ratio: Shall be at least 100%.
      - (ii) Net debt ratio: Shall not be higher than 500% starting from the year ending December 31, 2024 and shall not be adjusted higher than 400% starting from the year ending December 31, 2026.
      - (iii) Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.
    - ii. The financial statements of FUTURE ELECTRONICS INC. shall maintain the following financial ratios and regulations, which shall be applicable from the report for the year beginning January 1, 2024:
      - (i) Liquidity ratio: Shall be at least 100%.
      - (ii) Debt ratio: Shall not be more than 100%.
      - (iii) Interest coverage ratio shall be at least 200%.
      - (iv) Net assets shall be at least US\$2.4 billion.

The abovementioned financial ratios are reviewed annually.
  - (e) Collateral:
 

The Group pledged 100% stocks of FUTURE ELECTRONICS INC. as the collateral.
- C. On August 2, 2023, the Group's Board of Directors resolved to sign a syndicated loan agreement with a financial institution amounting to NT\$20 billion. As stipulated in the syndicated loan agreement:
- (a) Credit period: 5 years after the date of first drawdown.
  - (b) Drawdown period: The day before 5 years after the date of first drawdown. However, maturity date of each borrowing shall not exceed the credit period of each drawdown. The borrower may apply for re-utilisation from the date of first drawdown for 5 years according to the capital situation. However, each drawdown must be fully repaid before the expiry of the credit period.
  - (c) Financial commitments: The borrower's consolidated financial statements shall maintain the following financial ratios and regulations:
    - i. Liquidity ratio: Shall be at least 100%.
    - ii. Net debt ratio: Shall be no more than 280%.
    - iii. Interest coverage ratio shall be at least 200%.

The abovementioned financial ratios are reviewed semi-annually.



D. The Group's financial ratios in the consolidated financial statements for the year ended December 31, 2024 have met the required covenants under the abovementioned borrowing contract.

E. The Group's liquidity risk is provided in Note 12.

(16) Pensions

A. Defined benefit pension plan

- (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group will make contributions for the deficit by next March.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$287 and \$329 for the three months ended March 31, 2025 and 2024, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2026 amount to \$3,794.

B. Defined contribution pension plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's subsidiaries in Mainland China have a defined contribution plan in accordance with the pension regulations in the People's Republic of China (PRC). These companies contribute monthly an amount based on 14%~16% of the employees' monthly salaries based on the employees' domiciles to their independent funds administered by the government. For the subsidiaries in Hong Kong, these companies and its employees each contribute monthly an amount equal to 5% of the employees' monthly salaries pursuant to the legislation in Hong Kong. Each fund is managed by the government. Except for the monthly contribution, these companies have no other obligation.

(c) The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2025 and 2024 were \$142,700 and \$118,342, respectively.

(17) Share-based payment

A. For the three months ended March 31, 2025 and 2024, the Group's share-based payment arrangements are as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Restricted stocks to employees	2021.1.13	2,992 thousand shares	(a) and (b)
Employee stock options	2021.3.18	12,000 thousand shares	(c)
Restricted stocks to employees	2021.7.28	2,788 thousand shares	(a) and (b)
Employee stock options	2022.1.6	18,854 thousand shares	(c)
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~ 2023.11.17	6,511 thousand shares	Vested immediately
Employee stock options	2024.10.23	22,849 thousand shares	(d)

(a) The vesting percentage for the employee who has rendered service to the Company since the grant date and achieves the performance condition is 25% each year.

(b) The issued employee restricted shares before meeting the vesting conditions are subject to certain restrictions as follows:

- i. Employee restricted shares cannot be sold, pledged, transferred, donated to others, set purposes or disposed in any other ways, except for inheritance.
- ii. The rights to attend, propose, speak and vote at the shareholders meeting are the same as the issued common stock of the Company and are implemented in accordance with the trust custody contract.
- iii. Other rights including but not limited to dividends, distribution rights of legal reserve and capital surplus and share options of cash capital increase, etc. are the same as the Company's issued common stock, do not need to be kept in trust and are not restricted by the vesting period. Employees are required to return the unvested stocks but not required to return the dividends received if they resign during the vesting period.

(c) Employees can exercise 50%, 25% and 25% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

(d) Employees can exercise 30%, 30% and 40% of their option after 2 years, 3 years and 4 years from the grant date of employee stock options, respectively.

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

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (%)	Expected option life (years)	Expected dividends	Risk-free interest rate (%)	Fair value per unit (in dollars)
Restricted stocks to employees	2021.1.13	\$ 42.05	\$ -	-	4	-	-	\$ 42.05
Employee stock options	2021.3.18	\$ 46.80	\$ 46.80	18.44~ 18.46	4~5	-	0.31~ 0.34	\$ 7.0985~ \$ 8.1307
Restricted stocks to employees	2021.7.28	\$ 61.20	\$ -	-	4	-	-	\$ 58.0011
Employee stock options	2022.1.6	\$ 75.40	\$ 75.40	21.06~ 22.66	3.5~4.5	-	0.55~ 0.62	\$ 13.2673~ \$ 14.2005
Cash capital increase by issuing common stock reserved for employee preemption	2023.11.15~ 2023.11.17	\$ 114.00~ \$ 124.50	\$ 95.00	-	-	-	-	\$ 19.00~ \$ 29.50
Employee stock options	2024.10.23	\$ 115.50	\$ 115.50	34.85~ 36.43	4~5	-	1.42~ 1.44	\$ 35.2252~ \$ 37.9548

C. Details of the stock options for the three months ended March 31, 2025 and 2024 are disclosed as follows:

	2025		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	38,240	\$ 91.27	
Options exercised	( 4,121)	53.00	
Options forfeited	( 211)	83.20	
Options expired	( 2)	62.20	
Options outstanding at March 31	<u>33,906</u>	95.97	4.33 years
Options exercisable at March 31	<u>6,849</u>		

	2024		
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	Weighted-average remaining contractual period
Options outstanding at January 1	24,927	\$ 57.77	
Options exercised	( 7,894)	57.27	
Options forfeited	( 148)	61.23	
Options outstanding at March 31	<u>16,885</u>	56.01	2.83 years
Options exercisable at March 31	<u>5,153</u>		

D. The weighted-average stock price of stock options were \$108.7 and \$147.64 (in dollars) for the three months ended March 31, 2025 and 2024, respectively.

E. Details of the employee restricted shares for the three months ended March 31, 2025 and 2024 are disclosed as follows:

	2025	2024
	No. of shares (in thousands)	No. of shares (in thousands)
Shares outstanding at January 1	1,283	2,638
Shares redeemed at beginning of period but not yet forfeited	7	14
Shares vested	( 655)	( 676)
Shares forfeited	( 7)	( 14)
Shares redeemed, not yet forfeited	( 18)	( 36)
Shares outstanding at March 31	<u>610</u>	<u>1,926</u>

F. Compensation cost of share-based payment of \$79,730 and \$16,283 were recognised for the three months ended March 31, 2025 and 2024, respectively.

(18) Share capital

As of March 31, 2025, the Company's authorised capital was \$20,000,000, including partial preferred stocks, consisting of 2 billion shares (including 300 million shares reserved for employee stock options), and the paid-in capital was \$12,514,467 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

### Common stock

- A. Movements in the number of the Company's common stock (including certificate of entitlement to new shares from convertible bonds) outstanding are as follows:

	2025	2024
	Shares (in thousands)	Shares (in thousands)
At January 1	1,117,153	887,955
Employee stock options exercised	4,121	7,894
Cancellation of employee restricted shares	( 7 )	( 14 )
Capital injection	-	135,000
At March 31	1,121,267	1,030,835

- B. For the three months ended March 31, 2025 and 2024, employees of the Company exercised employee stock options, which have been converted into 4,121 thousand and 7,894 thousand common stocks, respectively. The amount was recorded under 'certificate of entitlement to new shares from convertible bonds' because the change in registration has not yet been completed as of March 31, 2025 and 2024.
- C. For the three months ended March 31, 2025 and 2024, the Company has retrieved 7 thousand and 14 thousand of employee restricted shares, respectively, for not satisfying vesting conditions, and the Company cancelled and retired the shares in accordance with the regulations.
- D. On September 28, 2023, the Board of Directors resolved to increase the Company's capital by issuing 135 million new shares with a par value of \$10 (in dollars) per share issued at NT\$95 (in dollars) per share. The Company received \$7,396,604 for the three months ended March 31, 2024 and \$5,423,396 for the year ended December 31, 2023, respectively, from the issuance of shares. The effective date of the capital increase was set on January 9, 2024 and the registration has been completed.

### Global depositary receipts

- A. On February 29, 2024, the Company's Board of Directors resolved to increase capital by issuing common stock to participate in the issuance of the global depositary receipts to support the capital requirement for the purchases of materials in foreign currency. The capital increase was approved by the Financial Supervisory Committee on March 26, 2024 and 17,000 thousand units of global depositary receipts were issued at the Luxembourg Stock Exchange on April 12, 2024 at a price of US\$20.08 (in dollars) per unit. The global depositary receipts represented 85,000 thousand shares of the Company's common stock. The amount after deducting issuance cost was US\$337,497 thousand (NT\$10,850,853 thousand). Each unit of the global depositary receipts represents 5 shares of the Company's common stocks.

### Preferred stock

On July 2, 2020, the Board of Directors resolved to increase the Company's capital in the amount of \$6,750,000 by issuing 135 million shares of Class A preferred stocks with a par value of \$10 (in dollars) per share issued at \$50 (in dollars) per share. The capital injection was approved by the Financial Supervisory Commission on July 29, 2020, and the effective date was set on October 15, 2020. The rights and obligations of these outstanding preferred stocks are as follows:

- A. Expiration date: The Company's Class A preferred stocks are perpetual. The shareholders of Class A preferred stocks cannot request the Company to retire the preferred stocks they hold but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price. The outstanding Class A preferred stocks sustained all the rights and obligations specified in the issuance terms. Dividends payable as of the redemption date shall be calculated based on the actual outstanding days if the Board of Directors resolved to distribute the current year's dividends.
- B. Dividends: Dividends are calculated at 4% per annum, consisting of five-year IRS rate of 0.6125% on pricing effective date (August 17, 2020) and specific markup of 3.3875%, based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two business days in Taipei financial industry prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Refinitiv pages "PYTWDFIX" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- C. Dividend distribution: Dividends of Class A preferred stocks are distributed once per year in the form of cash. The effective date for distributing previous year's distributable dividends will be set by the Board of Directors or the chairman who is authorised by the Board of Directors. Dividend distributions in the years of issuance and redemption are calculated based on the actual outstanding days. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating deficit and then set aside as legal reserve. Special reserve shall be set aside or reversed as required by regulations or the Competent Authority when necessary. The remainder, if any in the current year, can be distributed as dividends of preferred stocks in first priority.
- The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the Board of Directors, which would not lead to default if the Company has no or has insufficient current year's earnings for distribution or has other considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not be deferred to future years when the Company has earnings.
- D. Excess dividend distribution: Besides the aforementioned dividends, the shareholders of Class A preferred stocks could not participate in the distribution of cash and capitalised assets for common shares derived from earnings and capital surplus.
- E. Residual property distribution: The shareholders of Class A preferred stocks have priority over shareholders of common stocks in distributing the Company's residual properties and have the same priority with other preferred stockholders of the Company, but behind the general creditor. In addition, the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.

- F. Right to vote and be elected: The shareholders of Class A preferred stocks have no right to vote and be elected as directors in the common stock holders' meeting of the Company but have the right to vote in the shareholders' meeting only when there are unfavourable matters to rights and obligations of shareholders of Class A preferred stocks.
- G. Conversion to common shares: Class A preferred stocks could not be converted to common shares.
- H. The preemptive rights for shareholders of Class A preferred stocks are the same as of common shareholders when the Company increases its capital by issuing new shares.
- I. Capital surplus arising from premium issuance of Class A preferred stocks can be used to offset against accumulated deficit but cannot be capitalised during the issuance period.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further to the above considerations, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient. Changes in capital surplus are as follows:

	2025				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	\$ 47,381,597	\$ 226,089	\$ 51,030	\$ 14,768	\$ 47,673,484
Vesting of employee restricted shares	21,105	-	( 21,105)	-	-
Cancellation of employee restricted shares	-	-	70	-	70
Changes in ownership interests in subsidiaries	-	-	-	( 1,624)	( 1,624)
Changes in restricted stocks to employees	-	-	( 436)	-	( 436)
Employee stock options exercised	223,663	( 46,430)	-	-	177,233
Compensation cost of share-based payments	-	77,939	-	-	77,939
At March 31	<u>\$ 47,626,365</u>	<u>\$ 257,598</u>	<u>\$ 29,559</u>	<u>\$ 13,144</u>	<u>\$ 47,926,666</u>

	2024				
	Share premium	Employee stock options	Restricted stocks to employees	Net change in equity of associates and subsidiaries	Total
At January 1	\$ 25,192,149	\$ 372,240	\$ 104,875	\$ 11,410	\$ 25,680,674
Capital injection	11,470,000	-	-	-	11,470,000
Vesting of employee restricted shares	21,537	-	( 21,537)	-	-
Cancellation of employee restricted shares	-	-	140	-	140
Changes in restricted stocks to employees	-	-	( 1,127)	-	( 1,127)
Employee stock options exercised	599,033	( 225,896)	-	-	373,137
Compensation cost of share-based payments	-	10,440	-	-	10,440
Change in equity of associates accounted for using equity method	-	-	-	5,549	5,549
At March 31	<u>\$ 37,282,719</u>	<u>\$ 156,784</u>	<u>\$ 82,351</u>	<u>\$ 16,959</u>	<u>\$ 37,538,813</u>

(20) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay taxes and offset accumulated losses; and set aside a legal reserve at 10% of such remaining earnings, until the accumulated legal reserve has equaled the total paid-in capital of the Company; then, set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Residual earnings (distributable earnings in the current year) plus undistributed earnings at the beginning of the period is the accumulated retained earnings, which shall first be distributed as dividends to holders of Preferred Stocks, and distribution of such earnings shall submitted by the Board of Directors to the shareholders' meeting for approval.
- B. In accordance with Article 240 of the Company Act, the Board of Directors is authorised, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, to distribute dividends and bonus of all or part of the legal reserve and capital surplus in the form of cash based on the regulations specified in Article 241 of the Company Act which shall be reported to the shareholders during their meeting. Said distribution is not subject to the regulation which requires that the distribution shall be resolved by the shareholders during their meeting.
- C. The Company's dividend policy is regulated by the Board of Directors taking into consideration the Company's operations, future investment plans, capital budget and internal/external situations. As the Company is in the growth stage, most of retained earnings will be used to support business development and investment requirements and consequently, the minimum cash dividend and extra dividend policy is adopted by the Company. The Company's dividend policy



is summarised below:

At least 40% of the Company's earnings shall be appropriated as stock dividends and cash dividends, taking into account profits in the future and capital needs, and cash dividends shall account for at least 10% of the total dividends distributed. In the event the total earnings appropriation exceeds 30% of the Company's paid-in capital before appropriation, cash dividends shall account for at least 20% of the total dividends distributed.

- D. Except for covering accumulated deficit 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 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.
- E. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- F. The following are the earnings appropriations for the year ended December 31, 2024 as resolved by the Board of Directors in April 2025, and the earnings appropriations for the year ended December 31, 2023 as resolved during the shareholders' meeting held in May 2024:

	Years ended December 31,			
	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 1,387,290		\$ 406,786	
Special reserve	-		( 1,564,387)	
Dividends on preferred stock	270,000	\$ 2.000	270,000	\$ 2.000
Cash dividends of common stockholders	<u>6,727,486</u>	6.000	<u>2,008,438</u>	1.800
	<u>\$ 8,384,776</u>		<u>\$ 1,120,837</u>	

- (a) The aforementioned earnings appropriations for the year ended December 31, 2024, has not yet been resolved during the shareholders' meeting.
- (b) Information on the appropriation of the Company's earnings as approved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Other equity items

	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2025	\$ 6,160,479	\$ 6,904,386	(\$ 2,154,906)	\$ 10,909,959
Valuation adjustment on equity instruments:				
– Group	( 1,246,958)	-	-	( 1,246,958)
Currency translation differences:				
– Group	-	2,351,407	-	2,351,407
– Associates	-	( 33)	-	( 33)
Changes in employee restricted shares	-	-	436	436
Changes in redemption liability recognised as other equity	-	-	984,441	984,441
Compensation cost of share-based payments	-	-	1,791	1,791
At March 31, 2025	<u>\$ 4,913,521</u>	<u>\$ 9,255,760</u>	<u>(\$ 1,168,238)</u>	<u>\$ 13,001,043</u>
	Unrealised gains (losses) on valuation	Currency translation	Others	Total
At January 1, 2024	\$ 10,278,439	\$ 363,363	(\$ 1,042,763)	\$ 9,599,039
Valuation adjustment on equity instruments:				
– Group	2,603,712	-	-	2,603,712
Disposals reclassified as retained earnings	( 4,660,442)	-	-	( 4,660,442)
Currency translation differences:				
– Group	-	2,391,360	-	2,391,360
– Associates	-	689	-	689
Changes in employee restricted shares	-	-	1,127	1,127
Changes in redemption liability recognised as other equity	-	-	( 3,849)	( 3,849)
Compensation cost of share-based payments	-	-	5,843	5,843
At March 31, 2024	<u>\$ 8,221,709</u>	<u>\$ 2,755,412</u>	<u>(\$ 1,039,642)</u>	<u>\$ 9,937,479</u>

(22) Non-controlling interests

	2025	2024
At January 1	\$ 987,714	\$ 836,869
Share attributable to non-controlling interest:		
Gain for the period	4,852	26,321
(Decrease) increase in non-controlling interests	( 736,526)	993
Comprehensive income for the period:		
Exchange differences on translation of foreign financial statements	13,431	33,302
Unrealised loss from financial assets at fair value through other comprehensive income	( 329)	( 654)
At March 31	<u>\$ 269,142</u>	<u>\$ 896,831</u>

- A. The Group redeemed the remaining 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in cash from minority shareholders, resulting in a decrease in non-controlling interest. Refer to Note 4(3) for details.
- B. During the three months ended March 31, 2025 and 2024, the Company's subsidiary, BRILLNICS INC., increased its capital and employees of BRILLNICS INC. exercised employee stock options, which resulted to an increase in the non-controlling interest. Refer to Note 4(3) for details.

(23) Operating revenue

	Three months ended March 31,	
	2025	2024
Contract revenue		
Sales of electronic components	\$ 247,247,764	\$ 192,390,820
Services revenue	175,922	217,442
Other operating revenue	771	43,111
	<u>\$ 247,424,457</u>	<u>\$ 192,651,373</u>

- A. The Group derives revenue from the transfer of goods at a point in time and services over time in the following major products:

	Three months ended March 31,	
	2025	2024
Timing of revenue recognition		
At a point in time		
Application-Specific Standard		
Product-Wired Connectivity	\$ 55,248,034	\$ 29,353,382
Application-Specific Standard		
Product-Wireless Connectivity	45,100,289	37,543,180
Application-Specific Integrated		
Circuit	41,403,676	62,078,015
Analog	32,791,464	22,815,321
Microcomponents	16,800,179	11,536,357
Memory	10,798,414	9,877,281
Discrete	10,113,794	4,225,969
Application-Specific Standard		
Product-Others	8,696,878	6,647,027
Optoelectronics	8,332,412	3,685,386
Passive components	6,560,553	182,904
Others	11,402,842	4,489,109
Over time		
Services	175,922	217,442
	<u>\$ 247,424,457</u>	<u>\$ 192,651,373</u>

- B. The Group has recognised the following revenue-related contract liabilities provisions for estimated sales discounts:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Refund liabilities				
-sales discounts				
and returns	<u>\$ 1,776,302</u>	<u>\$ 1,572,327</u>	<u>\$ 891,287</u>	<u>\$ 1,127,279</u>
Contract liabilities				
-advance sales				
receipts	<u>\$ 1,022,433</u>	<u>\$ 1,132,253</u>	<u>\$ 1,318,950</u>	<u>\$ 1,461,903</u>

- C. Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Three months ended March 31,	
	2025	2024
Revenue recognised that was included in the contract liability balance at the beginning of the period	<u>\$ 522,734</u>	<u>\$ 105,944</u>

(24) Interest income

	Three months ended March 31,	
	2025	2024
Interest income from bank deposits	\$ 146,775	\$ 76,752
Other interest income	2,632	183
	<u>\$ 149,407</u>	<u>\$ 76,935</u>

(25) Other income

	Three months ended March 31,	
	2025	2024
Dividend income	\$ 9,028	\$ 21,239
Grant revenue	699	4,043
Other income	39,002	12,297
	<u>\$ 48,729</u>	<u>\$ 37,579</u>

(26) Other gains and losses

	Three months ended March 31,	
	2025	2024
Loss on disposal of property, plant and equipment	(\$ 730)	(\$ 1,265)
Foreign exchange gain (loss), net	197,516	( 38,422)
(Loss) gain on financial assets and liabilities at fair value through profit or loss	( 118,287)	230,847
Other losses	( 32,664)	( 79,650)
	<u>\$ 45,835</u>	<u>\$ 111,510</u>

(27) Finance costs

	Three months ended March 31,	
	2025	2024
Interest expense:		
Bank borrowings	\$ 766,022	\$ 428,797
Others	28,738	16,226
Financing charges on accounts receivable factoring	443,886	381,005
Other finance costs	70,899	20,119
	<u>\$ 1,309,545</u>	<u>\$ 846,147</u>

(28) Expenses by nature

	Three months ended March 31,	
	2025	2024
Employee benefit expense	\$ 4,560,127	\$ 1,504,509
Depreciation	\$ 300,563	\$ 108,692
Amortisation	\$ 110,690	\$ 28,771

(29) Employee benefit expense

	Three months ended March 31,	
	2025	2024
Employee benefit expense		
Wages and salaries	\$ 4,263,970	\$ 1,260,895
Labour and health insurance fees	45,149	42,034
Pension costs	142,987	87,505
Other personnel expenses	108,021	114,075
Total (shown as 'Operating expenses')	<u>\$ 4,560,127</u>	<u>\$ 1,504,509</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. For the ended March 31, 2025 and 2024, employees' compensation was accrued at \$37,800 and \$17,700, respectively; while directors' remuneration was accrued at \$11,250 and \$7,000, respectively. The aforementioned amounts were recognised in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on distributable profit of current year for the three months ended March 31, 2025 and 2024.

Employees' compensation and directors' remuneration for 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in profit or loss for 2024.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended March 31,	
	2025	2024
Current tax:		
Current tax on profit for the period	\$ 915,751	\$ 351,505
Prior year income tax under estimation	<u>185</u>	<u>4,219</u>
Total current tax	<u>915,936</u>	<u>355,724</u>
Deferred tax:		
Origination and reversal of temporary differences	( <u>126,305</u> )	<u>10,412</u>
Total deferred tax	( <u>126,305</u> )	<u>10,412</u>
Income tax expense	<u>\$ 789,631</u>	<u>\$ 366,136</u>

- B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.
- C. The Group has applied the exception to the requirements to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes.
- D. For the Group's certain subsidiaries registered in Singapore, the Group recognized current income tax expense related to Pillar Two income taxes amounting to \$54,285 for the three months ended March 31, 2025.
- E. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Pillar Two legislation was enacted in Canada, the European Union and South Korea, which will take effect from fiscal year of 2024. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has taken into account the complexities in applying the legislation and calculating GloBE income as well as the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12. This assessment indicates that for companies registered in Canada, Europe, and South Korea, the average effective tax rate based on accounting profit is over 15% for the three months ended March 31, 2025. The Group has no related significant current tax exposure as of March 31, 2025. The Group has applied the amendments to IAS 12, 'Income tax' issued on May 23, 2023 and applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(31) Earnings per share

Three months ended March 31, 2025			
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to shareholders of the parent	\$ 2,706,964		
Less: Dividends of preferred stock	-		
Profit used to calculate basic earnings per share	<u>\$ 2,706,964</u>	<u>1,118,557</u>	<u>\$ 2.42</u>
<u>Diluted earnings per share</u>			
Profit attributable to shareholders of the parent	\$ 2,706,964	1,118,557	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	705	
Employee stock options	-	5,482	
Employees' compensation	-	1,030	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	<u>\$ 2,706,964</u>	<u>1,125,774</u>	<u>\$ 2.40</u>

Three months ended March 31, 2024			
	Amount after tax	Weighted average number of common stock outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to shareholders of the parent	<u>\$ 1,590,013</u>	<u>1,013,274</u>	<u>\$ 1.57</u>
<u>Diluted earnings per share</u>			
Profit attributable to shareholders of the parent	\$ 1,590,013	1,013,274	
Assumed conversion of all dilutive potential common stock:			
Restricted stocks to employees	-	1,904	
Employee stock options	-	10,144	
Employees' compensation	-	251	
Profit used to calculate diluted earnings per share attributable to shareholders of the parent plus assumed conversion of all dilutive potential common stock	<u>\$ 1,590,013</u>	<u>1,025,573</u>	<u>\$ 1.55</u>

(32) Business combination

As of March 31, 2025 and 2024, the Group's mergers are as follows:

A. The Group acquired all the equity interest of FUTURE ELECTRONICS INC. ("FUTURE Company"):



- (a) On September 14, 2023, the Company's audit committee and Board of Directors resolved to enter into a definitive agreement for the acquisition of all the shares of FUTURE ELECTRONICS INC. In January 2024, the Board of Directors and the directors of the Company and its subsidiary, Morrihan International Corp., resolved and agreed to set up a joint venture, WT MORRIHAN INVESTMENT LIMITED in Canada to acquire all the equity interests of FUTURE Company. On April 2, 2024, the share-settled was completed, and the total acquisition amounted to NT\$121,524,000 thousand (US\$3.8 billion). In accordance with the terms of the contract, a consideration adjustment has been made on August 7, 2024, resulting in a final adjusted consideration of NT\$121,404,566 thousand (US\$3,796,333 thousand).
- (b) FUTURE Company is primarily engaged in the distribution and sales of various electronic components. The purpose of the combination is to strengthen the expansion of the business through the complementary product lines of the two parties, provide customers with a wider range of product solutions and technical support services and enhance the Group's global distribution capabilities.
- (c) The following table summarises the consideration paid for FUTURE Company and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	April 2, 2024
Purchase consideration	
Cash	\$ 121,404,566
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	3,949,018
Accounts receivable	55,935,579
Inventories	44,033,710
Other receivables	981,914
Other current assets	4,142,689
Property, plant and equipment	2,124,176
Right-of-use assets	1,342,520
Deferred tax assets	407,617
Other non-current assets	215,801
Accounts payable and Other payables	( 24,310,804)
Lease liabilities	( 1,379,042)
Other current liabilities	( 487,215)
Deferred tax liabilities	( 2,050,175)
Other non-current liabilities	( 185,836)
Total identifiable net assets	84,719,952
Fair value of the identifiable net assets-customer relationship	8,073,255
Goodwill	<u>\$ 28,611,359</u>

- (d) Had FUTURE Company been consolidated from January 1, 2024, the consolidated statement of comprehensive income would show operating revenue of \$992,005,779 and profit before income tax of \$11,376,427.

(33) Supplemental cash flow information

A. Cash paid for property, plant and equipment:

	Three months ended March 31,	
	2025	2024
Purchase of property, plant and equipment	\$ 189,348	\$ 28,023
Add: Opening balance of payable on equipment	8,928	2,772
Ending balance of prepayments for business facilities	8	-
Less: Ending balance of payable on equipment	( 9,939)	( 5,591)
Opening balance of prepayments for business facilities	( 144)	( 1,091)
Effect of foreign exchange	-	11
Cash paid during the period	<u>\$ 188,201</u>	<u>\$ 24,124</u>

B. Transactions with non-controlling interests:

	Three months ended March 31,	
	2025	2024
Acquiring equity interests of subsidiaries	<u>\$ 985,795</u>	<u>\$ -</u>

(34) Changes in liabilities from financing activities

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2025	\$ 98,852,387	\$ 1,598,968	\$ 1,960,563	\$ 102,411,918
Changes in cash flow from financing activities	( 9,091,214)	791,590	( 188,820)	( 8,488,444)
Impact of changes in foreign exchange rate	( 108,672)	-	4,824	( 103,848)
Interest expense from amortisation	-	8,394	-	8,394
Increase in lease liability	-	-	11,896	11,896
At March 31, 2025	<u>\$ 89,652,501</u>	<u>\$ 2,398,952</u>	<u>\$ 1,788,463</u>	<u>\$ 93,839,916</u>

	Long-term and short-term borrowings (Note)	Short-term notes and bills payable	Lease liability	Liabilities from financing activities-gross
At January 1, 2024	\$ 32,554,472	\$ 349,848	\$ 718,620	\$ 33,622,940
Changes in cash flow from financing activities	12,788,022	( 350,292)	( 64,515)	12,373,215
Impact of changes in foreign exchange rate	1,809,575	-	4,264	1,813,839
Interest expense from amortisation	-	444	-	444
Increase in lease liability	-	-	21,130	21,130
At March 31, 2024	\$ 47,152,069	\$ -	\$ 679,499	\$ 47,831,568

Note: Including current portions of long-term loans.

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JCD OPTICAL CORPORATION LIMITED	Associate
WPG Holdings Limited and Subsidiaries	Entity with significant influence over the Group
ASUSTeK Computer Inc. and Subsidiaries	Entity with significant influence over the Group
ALBERT PHUAY	Director of the Subsidiary of the Group

### (2) Significant related party transactions

#### A. Operating revenue

	Three months ended March 31,	
	2025	2024
Sales of goods:		
- Entity with significant influence over the Group	\$ 1,260,226	\$ 1,061,405

(a) The collection terms with related parties were 30 to 120 days after the end of next month and the products were categorised and priced taking into consideration the inventory cost, market and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

#### B. Purchases

	Three months ended March 31,	
	2025	2024
Purchases of goods:		
- Entity with significant influence over the Group	\$ 274,048	\$ 236,484

(a) The credit term to related parties is 30 to 45 days after the end of the following month and the purchase prices were categorised and priced taking into consideration the market prices and other conditions.

(b) The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

C. Receivables from related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts receivable:			
- Entity with significant influence over the Group	\$ 464,049	\$ 195,444	\$ 253,728
- Associates	-	789	-
	<u>\$ 464,049</u>	<u>\$ 196,233</u>	<u>\$ 253,728</u>

The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

D. Payables to related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Accounts payable:		
- Entity with significant influence over the Group	\$ 114,428	\$ 35,367

The transactions between FUTURE ELECTRONICS INC. and associates pertain to transactions starting from the business acquisition date.

E. Property transactions

Acquisition of financial assets:

	<u>No. of shares (in thousands)</u>	<u>Objects</u>	<u>Year ended March 31, 2025 Consideration</u>
ALBERT PHUAY	24,080	Stocks	\$ 985,795
Investments accounted for using equity method			

The Group acquired 20% equity interest of WT SEMICONDUCTOR HOLDINGS PTE. LTD. in the amount of US\$30,082 thousand from the non-controlling equity shareholders in February 2025.

Refer to Note 4(3) for details.

(3) Key management compensation

	<u>Three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other short-term employee benefits	\$ 95,039	\$ 18,832
Post-employment benefits	159	190
Share-based payment	16,739	2,348
	<u>\$ 111,937</u>	<u>\$ 21,370</u>

## 8. PLEDGED ASSETS

(1) The details of the Group's assets pledged as collateral are as follows:

Pledged asset	Purpose	Book value		
		March 31, 2025	December 31, 2024	March 31, 2024
Bank deposits	Bid bond	\$ 3,210	\$ 3,174	\$ 3,104

(2) For information on the Company using its holdings of subsidiary stock as collateral for a syndicated loan, please refer to Note 6 (15) for details.

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

### (1) Contingencies

None.

### (2) Commitments

#### A. Outstanding letters of credit

The outstanding letters of credit for the purchase of inventories by the Group are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Outstanding letters of credit	\$ 9,485,965	\$ 8,280,042	\$ 9,613,958

#### B. Guarantee for customs duties

The total guarantee for customs duties is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Customs duties guarantee	\$ 25,000	\$ 37,000	\$ 51,000

C. On September 14, 2023, the Company's audit committee and Board of Directors resolved to enter into a definitive agreement for the acquisition of all the shares of FUTURE ELECTRONICS INC.

On April 2, 2024, the share-settlement was completed. Refer to Note 6(32) for details.

## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(1) Details of the appropriation of 2024 earnings as resolved by the Board of Directors on April 15, 2025 are provided in Note 6(20).

(2) On April 15, 2025, the Company's Board of Directors resolved to increase capital by issuing common stock in the form of Global Depositary Shares for cash. The Company planned to submit a proposal during the shareholders' meeting to authorise the Board of Directors to handle all the necessary matters based on the relevant regulations with the issuance of common stocks not exceeding 100,000 thousand shares.

(3) On May 8, 2025, the Group's Board of Directors resolved the merger of the Company with TECHMOSA INTERNATIONAL INC.

## 12. OTHERS

### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the financial debt ratio. This ratio is calculated as total liabilities with interests divided by total net assets. Total liabilities with interest is calculated as total amount of long-term and short-term borrowings, short-term bills payable and corporate bonds payable in the consolidated balance sheet. Total equity is calculated as the 'equity' in the consolidated balance sheet.

For the three months ended March 31, 2025 and 2024, the Group's strategy was to maintain the financial debt ratio below 250%.

### (2) Financial instruments

#### A. Financial instruments by category

	<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 mandatorily measured at fair value through profit or loss	\$ 380,517	\$ 405,640	\$ 431,134
Financial assets designated as at fair value through profit or loss on initial recognition	<u>5,822</u>	<u>5,486</u>	<u>7,009</u>
	<u>\$ 386,339</u>	<u>\$ 411,126</u>	<u>\$ 438,143</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 10,797,622	\$ 12,030,314	\$ 14,338,693
Qualifying debt instruments	<u>38,979,084</u>	<u>28,411,490</u>	<u>53,221,564</u>
	<u>\$ 49,776,706</u>	<u>\$ 40,441,804</u>	<u>\$ 67,560,257</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 43,518,245	\$ 39,727,726	\$ 55,010,088
Accounts receivable	109,327,184	113,682,618	55,307,099
Other receivables	6,322,514	5,956,485	7,479,872
Other financial assets (shown as 'other current assets')	38,956	593,725	571,604
Guarantee deposits paid (shown as 'other non-current assets')	<u>167,455</u>	<u>169,983</u>	<u>304,843</u>
	<u>\$ 159,374,354</u>	<u>\$ 160,130,537</u>	<u>\$ 118,673,506</u>

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	<u>\$ 29,828</u>	<u>\$ 138</u>	<u>\$ 451</u>
Financial liabilities at amortised cost			
Short-term borrowings	\$ 39,961,156	\$ 35,412,779	\$ 27,314,309
Short-term notes and bills payable	2,398,952	1,598,968	-
Accounts payable	209,694,482	186,740,851	148,627,515
Other accounts payable	10,384,964	9,009,470	7,086,191
Long-term loans (including current portion)	49,691,345	63,439,608	19,837,760
Guarantee deposits received (shown as 'other non-current liabilities')	<u>7,901</u>	<u>7,828</u>	<u>7,835</u>
	<u>\$ 312,138,800</u>	<u>\$ 296,209,504</u>	<u>\$ 202,873,610</u>
Lease liability	<u>\$ 1,788,463</u>	<u>\$ 1,960,563</u>	<u>\$ 679,499</u>

#### B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts, are used to hedge certain exchange rate risk. In addition, foreign exchange risk is managed by matching the payment periods of foreign currency assets and liabilities.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
- (c) Information about derivative financial instruments that are used to hedge certain exchange rate risk is provided in Note 6(2).

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other subsidiaries' functional currency: USD, SGD, RMB and KRW). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2025				
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	4,568,970	33.1	\$ 151,232,907	1%	\$ 1,512,329
SGD:USD	78,139	0.745	1,930,033	1%	19,300
RMB:USD	515,214	0.138	2,347,212	1%	23,472
EUR:USD	166,850	1.079	5,959,882	1%	59,599
<u>Foreign operations</u>					
USD:NTD	4,572,192	33.1	151,404,352		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	4,803,146	33.1	158,984,133	1%	1,589,841
USD:RMB	194,288	7.266	6,430,933	1%	64,309
USD:KRW	40,761	1,466.8	1,349,189	1%	13,492
SGD:TWD	114,366	24.7	2,824,840	1%	28,248
EUR:USD	82,225	1.079	2,937,077	1%	29,371



December 31, 2024					
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	4,410,226	32.725	\$ 144,324,646	1%	\$ 1,443,246
USD:KRW	23,502	1,474.1	769,103	1%	7,691
USD:RMB	6,162	7.303	201,651	1%	2,017
SGD:USD	7,564	0.737	182,519	1%	1,825
RMB:USD	69,880	0.137	2,286,823	1%	22,868
EUR:USD	139,636	1.041	4,761,588	1%	47,616
<u>Foreign operations</u>					
USD:NTD	4,482,586	32.725	147,375,556		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	4,987,662	32.725	163,221,239	1%	1,632,212
USD:RMB	198,591	7.303	6,498,890	1%	64,989
USD:KRW	47,816	1,474.1	1,564,779	1%	15,648
SGD:TWD	29,557	24.13	713,210	1%	7,132
EUR:USD	78,759	1.041	2,685,682	1%	26,857
March 31, 2024					
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Degree of variation	Effect on profit or loss
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	4,034,259	32	\$ 129,096,288	1%	\$ 1,290,963
USD:KRW	22,497	1,346.8	719,904	1%	7,199
USD:RMB	13,259	7.227	424,288	1%	4,243
RMB:USD	27,215	0.138	120,500	1%	1,205
<u>Foreign operations</u>					
USD:NTD	662,081	32	21,185,544		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	3,969,871	32	127,035,872	1%	1,270,359
USD:RMB	233,450	7.227	7,470,400	1%	74,704
USD:KRW	37,428	1,346.8	1,197,696	1%	11,977

v. The total exchange loss, including realised and unrealised arising from significant foreign

exchange variation on the monetary items held by the Group for the three months ended March 31, 2025 and 2024 amounted to \$197,516 and \$38,422, respectively.

#### Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is performed in accordance with the limits set by the Group.
- ii. The Group's investments comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$2,648 and \$2,760, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$107,976 and \$143,387, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

#### Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from bank borrowings with variable rates and advance receipt of factoring accounts receivable, which expose the Group to cash flow interest rate risk. During the three months ended March 31, 2025 and 2024, the Group's borrowings at variable rate were mainly denominated in US Dollars.
- ii. The Group's borrowings are measured at amortised cost. According to the contract, the borrowings are periodically reset. Therefore, the Group is exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 25 basis point with all other variables held constant, profit, net of tax for the three months ended March 31, 2025 and 2024 would have decreased/increased by \$46,326 and \$24,825, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

#### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

- ii. The Group manages its credit risk from the group's perspective. For banks and financial institutions, only approved by FSC are accepted to be transaction parties. According to the credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers, taking into account their financial position, past experience and other factors through internal risk control. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. If the contract payments were past due over 90 days based on the terms, the Group considers that there has been a significant increase in credit risk on that instrument since initial recognition. The Group considers that the default occurs when the contract payments are past due over 180 days.
- iv. The ageing analysis of accounts receivable (including overdue receivables) and notes receivable is as follows:

	Notes and accounts receivable		
	March 31, 2025	December 31, 2024	March 31, 2024
Not past due	\$ 136,024,907	\$ 130,501,547	\$ 102,050,440
Up to 90 days	11,930,453	10,893,090	6,302,353
91 to 180 days	647,879	845,798	216,064
Over 180 days	513,524	560,120	706,955
	<u>\$ 149,116,763</u>	<u>\$ 142,800,555</u>	<u>\$ 109,275,812</u>

- (i) The above ageing analysis was based on days past due.
  - (ii) Abovementioned notes receivable are not past due.
- After the recourse procedure, the Group will write off the amount of financial assets that cannot reasonably be expected to be recovered, however the Group will continue to carry out recourse legal procedures to preserve the creditor's rights.
- v. The Group assesses the expected credit losses of its accounts receivable as follows:
    - (i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses;
    - (ii) The remaining receivables are segmented according to the Group's credit ratings of its customers. Different loss rates or provision matrices are applied to the different segments when estimating expected credit losses;
    - (iii) Loss rates, calculated from historical and current information, are adjusted according to forward-looking information such as the business indicators published by the National Development Council.

(iv) As of March 31, 2025, December 31, 2024 and March 31, 2024, loss allowances of accounts receivable and notes receivable calculated from individual assessment or using the loss rate methodology and provision matrix are as follows:

<u>March 31, 2025</u>	<u>Individual</u>	<u>Group A &amp; B</u>	<u>Group C</u>	<u>Group D</u>	<u>Total</u>
Expected loss rate	0.05%~100%	0.05%~0.24%	0.10%~100%	0.56%~100%	
Total book value	<u>\$ 802,092</u>	<u>\$107,850,197</u>	<u>\$ 35,672,886</u>	<u>\$ 4,791,588</u>	<u>\$ 149,116,763</u>
Loss allowance	<u>\$ 446,778</u>	<u>\$ 143,343</u>	<u>\$ 138,446</u>	<u>\$ 81,928</u>	<u>\$ 810,495</u>
<u>December 31, 2024</u>	<u>Individual</u>	<u>Group A &amp; B</u>	<u>Group C</u>	<u>Group D</u>	<u>Total</u>
Expected loss rate	0.05%~100%	0.05%~0.19%	0.09%~100%	0.51%~100%	
Total book value	<u>\$ 513,184</u>	<u>\$103,320,960</u>	<u>\$ 34,336,654</u>	<u>\$ 4,629,757</u>	<u>\$ 142,800,555</u>
Loss allowance	<u>\$ 395,477</u>	<u>\$ 115,702</u>	<u>\$ 102,148</u>	<u>\$ 93,120</u>	<u>\$ 706,447</u>
<u>March 31, 2024</u>	<u>Individual</u>	<u>Group A &amp; B</u>	<u>Group C</u>	<u>Group D</u>	<u>Total</u>
Expected loss rate	0.05%~100%	0.05%	0.06%~100%	0.39%~30.56%	
Total book value	<u>\$ 927,643</u>	<u>\$ 66,761,714</u>	<u>\$ 37,298,696</u>	<u>\$ 4,287,759</u>	<u>\$ 109,275,812</u>
Loss allowance	<u>\$ 576,878</u>	<u>\$ 33,028</u>	<u>\$ 91,562</u>	<u>\$ 45,681</u>	<u>\$ 747,149</u>

Group A: Customers with excellent credit rating.

Group B: Customers with fine credit rating.

Group C: Customers with normal credit rating.

Group D: Rated as other than A, B and C.

vi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable (including overdue receivables) are as follows:

	<u>Three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
At January 1	\$ 706,447	\$ 736,924
Provision for impairment	101,631	531
Effect of exchange rate changes	2,417	9,694
At March 31	<u>\$ 810,495</u>	<u>\$ 747,149</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 6(15)) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internally assessed financial ratio targets and, if applicable, external regulatory or legal requirements.

- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. The Group treasury invests surplus cash in interest bearing demand deposits, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts, and expects to readily generate cash inflows for managing liquidity risk.
- iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the due date at the balance sheet date. Non-derivative financial liabilities are analysed by remaining periods from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

March 31, 2025

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	\$ 40,051,166	\$ -	\$ -	\$ 40,051,166
Lease liability	759,398	1,066,062	174,290	1,999,750
Long-term loans (Note)	7,522,027	42,696,159	-	50,218,186

December 31, 2024

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	\$ 35,537,207	\$ -	\$ -	\$ 35,537,207
Lease liability	809,754	1,167,471	197,293	2,174,518
Long-term loans (Note)	74,798	64,668,137	-	64,742,935

March 31, 2024

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Short-term borrowings (Note)	\$ 27,515,126	\$ -	\$ -	\$ 27,515,126
Lease liability	249,296	340,883	170,213	760,392
Long-term loans (Note)	92,776	25,197,764	-	25,290,540

Note: Including imputed interest payable.

Except for the above, the Group's non-derivative financial liabilities are due in one year.

Derivative financial liabilities:

As of March 31, 2025, December 31, 2024 and March 31, 2024, all derivative financial liabilities of the Group are due in one year.

- iv. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

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 stocks, open-end funds and overseas bonds is included in level 1.

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 derivative instruments is included in level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market, debt instrument and private equity fund is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(10).

C. The carrying amounts of financial instruments not measured at fair value, including cash and cash equivalents, notes and accounts receivable, other receivables, other current assets, short-term borrowings, short-term notes and bills payable, accounts payable, other payables and long-term loans (including current portion), are approximate to their fair values.

D. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks are as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 26,580	\$ -	\$ 298,649	\$ 325,229
Equity instruments	5,822	-	-	5,822
Debt instruments	-	-	34,072	34,072
Derivative instruments	-	4,665	-	4,665
Hybrid instruments	-	-	16,551	16,551
Financial assets at fair value through other comprehensive income				
Equity instruments	10,591,919	-	205,703	10,797,622
Accounts receivable that are expected to be factored	-	-	38,979,084	38,979,084
	<u>\$10,624,321</u>	<u>\$ 4,665</u>	<u>\$39,534,059</u>	<u>\$50,163,045</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 29,828</u>	<u>\$ -</u>	<u>\$ 29,828</u>

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 34,410	\$ -	\$ 307,355	\$ 341,765
Equity instruments	5,486	-	-	5,486
Debt instruments	-	-	33,686	33,686
Derivative instruments	-	13,812	-	13,812
Hybrid instruments	-	-	16,377	16,377
Financial assets at fair value through other comprehensive income				
Equity instruments	11,828,081	-	202,233	12,030,314
Accounts receivable that are expected to be factored	-	-	28,411,490	28,411,490
	<u>\$11,867,977</u>	<u>\$ 13,812</u>	<u>\$28,971,141</u>	<u>\$40,852,930</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 138</u>	<u>\$ -</u>	<u>\$ 138</u>



March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 48,003	\$ -	\$ 289,947	\$ 337,950
Equity instruments	7,009	-	-	7,009
Debt instruments	290	-	43,645	43,935
Derivative instruments	-	7,649	-	7,649
Hybrid instruments	-	-	41,600	41,600
Financial assets at fair value through other comprehensive income				
Equity instruments	14,130,201	-	208,492	14,338,693
Accounts receivable that are expected to be factored	-	-	53,221,564	53,221,564
	<u>\$14,185,503</u>	<u>\$ 7,649</u>	<u>\$53,805,248</u>	<u>\$67,998,400</u>
<b>Liabilities</b>				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 451</u>	<u>\$ -</u>	<u>\$ 451</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Corporate bonds</u>
Market quoted price	Closing price	Net assets value	Weighted average quoted price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. 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.
- iii. When assessing non-standard and low-complexity financial instruments, for example, cross currency swap contracts, the Group adopts 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.

- iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
  - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. 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 at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
  - vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. For the three months ended March 31, 2025 and 2024, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the three months ended March 31, 2025 and 2024:

	Financial instruments	
	2025	2024
At January 1	\$ 28,971,141	\$ 67,742,287
Acquired during the period	1,307	1,895
(Losses) gains recognised in profit or loss	( 10,899)	15,098
Gains (losses) recognised in other comprehensive income	3,285	( 455)
Increase in accounts receivable that are expected to be factored	16,272,373	15,257,808
Decrease in accounts receivable that are expected to be factored	( 5,704,779)	( 29,223,279)
Effect of exchange rate changes	1,631	11,894
At March 31	<u>\$ 39,534,059</u>	<u>\$ 53,805,248</u>

For the three months ended March 31, 2025 and 2024, there was no transfer into or out from Level 3.

G. The following is the qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	\$ 3,231	Market comparable companies	Price to earnings ratio multiple Discount for lack of marketability	1.58-2.06 (1.76) 30%	The higher the multiple, the higher the fair value The higher the discount for lack of marketability, the lower the fair value
	63,717	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	28,627	Discounted cash flow method	Weighted average cost of capital Discount for lack of marketability	11.51% 30%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
	5,445	Market comparable companies	Price-to-sales ratio Discount for lack of marketability	4.11-7.3 (4.12) 28%	The higher the multiple, the higher the fair value The higher the discount for lack of marketability, the lower the fair value
	119,606	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	16,551	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	19,149	Net asset value	Not applicable	-	Not applicable
Private equity fund	298,649	Net asset value	Not applicable	-	Not applicable

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	\$ 3,758	Market comparable companies	Price to earnings ratio multiple	1.62-2.13 (1.84)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	63,279	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	28,303	Discounted cash flow method	Weighted average cost of capital	11.51%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	5,383	Market comparable companies	Price-to-sales ratio	4.19-8.8 (6.61)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	119,859	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	16,377	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	15,337	Net asset value	Not applicable	-	Not applicable
Private equity fund	307,355	Net asset value	Not applicable	-	Not applicable

	Fair value at March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	\$ 5,910	Market comparable companies	Price to earnings ratio multiple	1.29~2.32 (1.76)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	49,931	Most recent non-active market price	Not applicable	-	Not applicable
Unlisted preferred stocks	27,676	Discounted cash flow method	Weighted average cost of capital	11.51%	The higher the weighted average cost of capital and discount for lack of marketability, the lower the fair value
			Discount for lack of marketability	30%	
	15,969	Market comparable companies	Price to earnings ratio multiple	6.63~13.84 (10.85)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
	104,691	Most recent non-active market price	Not applicable	-	Not applicable
Convertible bonds	41,600	Most recent non-active market price	Not applicable	-	Not applicable
Venture capital shares	47,960	Net asset value	Not applicable	-	Not applicable
Private equity fund	289,947	Net asset value	Not applicable	-	Not applicable

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 4.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.
- F. Significant inter-company transactions during the reporting period: Refer to table 6.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to Note 13(1).

14. SEGMENT INFORMATION

(1) General information

The Group is engaged in the development and sales of electronic and communication components. The Group's chief operating decision maker reviews the Group's overall operating results to determine decisions of the Group's resources and assess the Group's overall performance. Operating segments of the Group have been aggregated into one operating segment because they have similar economic characteristics and show similar long-term financial performances.

The Group's operating segment information is prepared in accordance with the Group's accounting policies. The decision maker allocates resources and assesses performance of the operating segments primarily based on the operating revenue and profit (loss) before tax of individual operating segment.

(2) Financial information of reportable segment

The financial information on reportable single operating segment to the chief operating decision maker is as follows:

	Single Operating Segment	
	Three months ended March 31,	
	2025	2024
Revenue from external customers	\$ 247,424,457	\$ 192,651,373
Segment income	\$ 3,501,447	\$ 1,982,470
Segment assets (Note)	\$ -	\$ -
Depreciation and amortisation	\$ 411,253	\$ 137,463
Finance costs	\$ 1,309,545	\$ 846,147

Note: The chief operating decision maker does not use the measured amount of the assets as a measurement indicator; therefore, the measured amount of the Group's assets shall be disclosed as zero.

(3) Reconciliation information on reportable segment revenue and profit (loss)

The reportable segment income is consistent with the income/(loss) before tax from continuing operations for the period.

## WT Microelectronics Co., Ltd. and subsidiaries

## Loans to others

Three months ended March 31, 2025

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31,	Balance at March 31, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					2025								Item	Value			
1	WINTech MICROELECTRONICS HOLDING LIMITED	WINTech MICROELECTRONICS LTD.	Other receivables - related parties	Y	\$ 662,000	\$ 662,000	\$ 463,400	4.58%	Short-term financing	\$ -	Business Operation	\$ -	-	\$ -	\$ 8,962,085	\$ 8,962,085	Note 2
1	WINTech MICROELECTRONICS HOLDING LIMITED	WT MICROELECTRONICS (HONG KONG) LIMITED	Other receivables - related parties	Y	6,620,000	6,620,000	4,402,300	2.01%	Short-term financing	-	Business Operation	-	-	-	8,962,085	8,962,085	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Other receivables - related parties	Y	327,690	327,690	327,690	4.95%~6.02%	Short-term financing	-	Business Operation	-	-	-	613,370	613,370	Note 2
2	BSI SEMICONDUCTOR PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	33,100	33,100	33,100	5.84%	Short-term financing	-	Business Operation	-	-	-	613,370	613,370	Note 2
3	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	144,408	125,780	125,780	4.93%~6.04%	Short-term financing	-	Business Operation	-	-	-	2,954,701	2,954,701	Note 2
4	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD	Other receivables - related parties	Y	478,359	478,359	478,359	3.1%~3.45%	Short-term financing	-	Business Operation	-	-	-	2,172,636	2,172,636	Note 2
5	WINTech INVESTMENT CO., LTD.	WINTech MICROELECTRONICS LTD.	Other receivables - related parties	Y	139,020	139,020	139,020	4.58%	Short-term financing	-	Business Operation	-	-	-	1,091,661	1,091,661	Note 2
6	EXCELPOINT SYSTEMS (PTE) LTD	EXCELPOINT SYSTEMS VIETNAM COMPANY LIMITED	Other receivables - related parties	Y	45,948	33,100	33,100	4.93%~6.03%	Short-term financing	-	Business Operation	-	-	-	611,836	611,836	Note 2
7	WT TECHNOLOGY KOREA CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	Other receivables - related parties	Y	114,600	112,850	-	4.60%	Short-term financing	-	Business Operation	-	-	-	678,147	678,147	Note 2
8	PLANETSPARK PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	83,449	72,820	72,820	6.27%	Short-term financing	-	Business Operation	-	-	-	223,484	223,484	Note 2
8	PLANETSPARK PTE. LTD.	SPACEAGE LABS PTE. LTD.	Other receivables - non related parties	N	9,148	9,148	9,148	7.50%	Short-term financing	-	Business Operation	-	-	-	89,394	89,394	Note 3
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	1,986,000	1,986,000	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	129,886,699	129,886,699	Note 2
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Other receivables - related parties	Y	2,625,600	-	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	129,886,699	129,886,699	Note 2
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	2,559,960	-	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	129,886,699	129,886,699	Note 2
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	3,641,000	3,641,000	1,340,550	4.92365%~5.52471%	Short-term financing	-	Business Operation	-	-	-	22,971,999	22,971,999	Note 2
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Other receivables - related parties	Y	64,365	64,365	64,365	6.55%	Short-term financing	-	Business Operation	-	-	-	22,971,999	22,971,999	Note 2
10	FUTURE ELECTRONICS LIMITED	FE TRADING PTY LTD.	Other receivables - related parties	Y	133,020	133,020	133,020	6.55%	Short-term financing	-	Business Operation	-	-	-	22,971,999	22,971,999	Note 2
10	FUTURE ELECTRONICS LIMITED	WT MICROELECTRONICS CO.,LTD.	Other receivables - related parties	Y	2,482,500	2,482,500	2,482,500	4.92471%	Short-term financing	-	Business Operation	-	-	-	22,971,999	22,971,999	Note 2
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	2,625,600	-	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	22,005,291	22,005,291	Note 2
11	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MORRIHAN SINGAPORE PTE. LTD.	Other receivables - related parties	Y	6,620,000	6,620,000	3,310,000	4.91%	Short-term financing	-	Business Operation	-	-	-	22,005,291	22,005,291	Note 2

Number (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31,	Balance at March 31, 2025	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					2025								Item	Value			
12	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	\$ 2,559,960	\$ -	\$ -	5.52471%	Short-term financing	\$ -	Business Operation	\$ -	-	\$ -	\$ 28,492,928	\$ 28,492,928	Note 2
12	FUTURE ELECTRONICS (US) FINANCE CORP.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Other receivables - related parties	Y	3,282,000	-	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	28,492,928	28,492,928	Note 2
13	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS (US) FINANCE CORP.	Other receivables - related parties	Y	3,282,000	-	-	5.52471%	Short-term financing	-	Business Operation	-	-	-	13,707,601	13,707,601	Note 2
14	FUTURE ELECTRONICS MANAGEMENT SERVICES LIMITED.	FUTURE ELECTRONICS EDC SERVICES GMBH	Other receivables - related parties	Y	607,240	607,240	607,240	3.33%	Short-term financing	-	Business Operation	-	-	-	13,220,991	13,220,991	Note 2
15	FUTURE ELECTRONICS SAS	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	178,600	178,600	71,440	6.54%	Short-term financing	-	Business Operation	-	-	-	729,885	729,885	Note 2
16	FUTURE ELECTRONICS POLSKA SPÓŁKA Z	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	171,810	171,810	171,810	4.89%	Short-term financing	-	Business Operation	-	-	-	209,415	209,415	Note 2
17	FUTURE ELECTRONICS SRL	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	60,074	60,074	60,074	6.55%	Short-term financing	-	Business Operation	-	-	-	81,534	81,534	Note 2
18	FUTURE ELECTRONICS, S.R.O.	FUTURE ELECTRONICS LIMITED	Other receivables - related parties	Y	42,910	42,910	34,328	6.55%	Short-term financing	-	Business Operation	-	-	-	62,757	62,757	Note 2
19	MORRIHAN SINGAPORE PTE. LTD.	EXCELPPOINT SYSTEMS (PTE) LTD	Other receivables - related parties	Y	2,813,500	2,813,500	2,813,500	5.78~5.84%	Short-term financing	-	Business Operation	-	-	-	3,123,499	3,123,499	Note 2
20	FUTURE ELECTRONICS CORP.	WT MICROELECTRONICS CO.,LTD.	Other receivables - related parties	Y	4,137,500	4,137,500	4,137,500	4.92471%	Short-term financing	-	Business Operation	-	-	-	19,904,538	19,904,538	Note 2
20	FUTURE ELECTRONICS CORP.	FUTURE ELECTRONICS INC.	Other receivables - related parties	Y	993,000	993,000	-	4.92471%	Short-term financing	-	Business Operation	-	-	-	19,904,538	19,904,538	Note 2

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

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

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries and limit on loans granted by an overseas subsidiary to a single overseas subsidiary are the Creditor's net assets.

Note 3: The policy for loans between the Company and subsidiaries and companies with short-term capital needs is as follows: limit on loans granted by the Company and subsidiaries single party is 40% of the company's net assets, based on the most recent financial statements of the company, ceiling on total loans granted by a company is 40% of the company's net assets.

Note 4: The net assets referred to above are based on the latest audited or reviewed financial statements.



WT Microelectronics Co., Ltd. and subsidiaries  
Provision of endorsements and guarantees to others  
Three months ended March 31, 2025

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

		Party being endorsed/guaranteed													
Number (Note 1)	Endorser/ guarantor	Company name	Relationship with the endorser / guarantor (Note 2)	Limit on endorsements / guarantees provided for a single party (Note 3)	Maximum outstanding endorsement / guarantee amount as of March 31, 2025	Outstanding endorsement / guarantee amount at March 31, 2025	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements / guarantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote	
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	2	\$ 430,854,335	\$ 800,000	\$ 800,000	\$ 800,000	\$ -	0.74%	\$ 430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	2	430,854,335	1,324,000	1,324,000	-	-	1.23%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	2	430,854,335	1,655,000	1,655,000	-	-	1.54%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	2	430,854,335	67,524	67,524	3,317	-	0.06%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	2	430,854,335	1,324	1,324	91	-	0.00%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	2	430,854,335	101,617	101,617	-	-	0.09%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN SINGAPORE PTE. LTD.	2	430,854,335	331,000	331,000	-	-	0.31%	430,854,335	Y	N	N		
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	2	430,854,335	5,797,502	5,797,502	455,580	-	5.38%	430,854,335	Y	N	Y		
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	2	430,854,335	1,796,676	1,796,676	-	-	1.67%	430,854,335	Y	N	Y		
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	2	430,854,335	31,859,083	31,859,083	9,401,887	-	29.58%	430,854,335	Y	N	N		
1	EXCELPOINT TECHNOLOGY PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	2	44,320,512	1,655,000	1,655,000	-	-	1.54%	44,320,512	N	N	N	Note 4	
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS EDC SERVICES GMBH	2	519,546,796	2,347	2,347	-	-	0.00%	519,546,796	N	N	N	Note 5	
2	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	2	519,546,796	165,500	165,500	165,500	-	0.15%	519,546,796	N	N	N	Note 5	
2	FUTURE ELECTRONICS INC.	WT MICROELECTRONICS CO., LTD.	3	519,546,796	30,000,000	30,000,000	7,890,692	-	27.85%	519,546,796	N	Y	N	Note 5	
2	FUTURE ELECTRONICS INC.	MORRIHAN INTERNATIONAL CORP.	4	519,546,796	30,000,000	30,000,000	7,890,692	-	27.85%	519,546,796	N	N	N	Note 5	
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	MACKTRONICS LIMITED	1	6,568	2,913	2,913	-	-	0.00%	88,021,163	N	N	N	Note 6	
3	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	SUMMIT INTERNATIONAL	1	3,952	3,310	3,310	-	-	0.00%	88,021,163	N	N	N	Note 6	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following four categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 3: For a single party who owns directly and indirectly more than 50% voting shares of the Company should not be in excess of 400% of the Company's net assets, which are based on the latest financial statements audited or reviewed by the Company's CPA.

Note 4: The limit of endorsement guarantees by EXCELPOINT TECHNOLOGY PTE. LTD. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 15 times the Company's net assets.

Note 5: FUTURE ELECTRONICS INC. for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

Note 6: FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD for a single enterprise and the total limit of endorsement guarantees should not be in excess of 400% the Company's net assets.

For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

WT Microelectronics Co., Ltd. and subsidiaries  
Holding of significant marketable securities (not including subsidiaries, associates and joint ventures)  
Three months ended March 31, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Type of securities	Name of securities	Relationship with the securities issuer	General ledger account (Note)	As of March 31, 2025				Footnote
					Number of shares	Book value	Ownership (%)	Fair value	
WT MICROELECTRONICS CO., LTD.	Common stock	ASMEDIA TECHNOLOGY INC.	None	2	4,500,000	\$ 7,875,000	6.49	\$ 7,875,000	
WT MICROELECTRONICS CO., LTD.	Common stock	SINO-AMERICAN SILICON PRODUCTS INC.	None	1	2,733,000	307,462	0.47	307,462	
WT MICROELECTRONICS CO., LTD.	Ordinary shares raised through the private placement	NICHIDENBO CORPORATION	None	2	30,000,000	1,849,200	14.11	1,849,200	

Note : Code of general ledger accounts: 1- Financial assets at fair value through other comprehensive income - current

2- Financial assets at fair value through other comprehensive income - non-current

WT Microelectronics Co., Ltd. and subsidiaries  
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more  
Three months ended March 31, 2025

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

			Transaction		Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases	Amount	Percentage of total purchases	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
			(sales)		(sales)						
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	\$ 30,735,358	26	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	\$ 12,257,585	19	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	23,792,150	20	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	14,267,511	22	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	2,397,741	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	2,185,134	3	
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	561,669	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	746,881	1	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	3,320,717	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	5,711,561	9	
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	137,704	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	207,195	-	
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	814,494	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	540,754	-	
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	2,099,281	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	( 1,335,028)	2	
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchases	195,490	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	510,578	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchases	1,648,833	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	228,024	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	121,666	2	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,026,752	17	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	927,487	18	
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	452,003	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	363,164	7	
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	128,567	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	295,008	6	
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	224,938	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	277,438	-	
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	58,485,611	54	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	14,505,472	45	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	400,354	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	522,075	2	
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	2,353,191	8	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,984,987	17	
WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	323,433	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	118,790	-	
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	125,919	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	270,781	5	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,935,817	33	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	3,228,800	35	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	268,943	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	344,965	4	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	781,237	7	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	1,037,117	11	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	144,083	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	196,586	2	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	\$ 370,505	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	(\$ 1,774,004)	11	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	291,938	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	308,303	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	314,438	3	
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	108,565	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	255,399	7	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	12,944,949	39	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	5,162,160	11	
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	1,167,291	4	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	202,324	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	113,438	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	127,492	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	212,883	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	( 85,403)	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	1,844,020	6	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	725,729	2	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD.	Affiliates	Sales	222,962	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	107,781	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	427,692	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	308,077	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS SCHWEIZ GMBH	Affiliates	Sales	113,997	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	86,886	-	
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	Sales	147,375	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	173,656	-	
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	165,144	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchases	1,011,336	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	( 222,755)	2	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	814,736	2	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	267,902	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	962,725	3	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	( 1,257,973)	10	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,903,695	12	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	-	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS KABUSHIKI KAISHA	Affiliates	Sales	127,245	-	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	80,417	-	
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	Sales	179,831	1	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	115,683	-	
FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	11,783,182	36	Closes its accounts 90 days after the end of each month	Based on product, market price of inventory cost and other trading conditions	No material difference	( 3,151,611)	25	

Note: The transactions between FUTURE ELECTRONICS INC. and associates started from the business combination date.

WT Microelectronics Co., Ltd. and subsidiaries  
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
March 31, 2025

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	\$ 12,257,585	7.29	\$ -		\$ -	\$ -
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	14,267,511	7.37	-		-	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	2,185,134	3.22	-		-	-
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	746,881	3.17	-		-	-
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	5,711,561	2.68	4,644	Collection after the period	277,647	-
WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	207,195	3.43	-		-	-
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	540,754	4.82	11,008	Collection after the period	-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	1,335,028	7.27	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	121,666	6.59	-		129,093	-
NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	927,487	5.11	-		265,795	-
NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	363,164	4.95	-		-	-
NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	295,008	1.98	-		-	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	277,438	2.50	-		277,526	-
MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	14,505,472	18.9	-		2,126,539	-
MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	590,913	0.14	-		-	-
TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	181,821	0.36			-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	522,075	2.21	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	3,984,987	2.21	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	106,057	1.62	-		-	-
WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS CO., LTD.	Affiliates	118,790	21.78	-		118,785	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	\$ 270,781	1.92	\$ -		\$ 49,611	
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	3,228,800	6.55	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	344,965	5.14	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	1,037,117	4.86	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	196,586	4.66	-		-	-
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	314,438	5.92	4,141	Collection after the period	-	-
EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	1,774,004	0.01	295	Collection after the period	-	-
EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	255,399	3.4	-		-	-
FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	5,162,160	12.52	-		350,860	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	113,438	5.12	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	725,729	13.2	-		391,408	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD.	Affiliates	107,781	6.44	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	308,077	4.76	-		-	-
FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED ŞİRKETİ	Affiliates	173,656	3.84	28,382	Collection after the period	-	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	267,902	12.84	-		278,757	-
FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	FUTURE ELECTRONICS INC.	Affiliates	115,683	6.08	-		-	-
FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	426,546	-	-		-	-
FUTURE ADVANCED ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	222,755	24.04	-		188,670	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	1,257,973	3.08	-		-	-
FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	FUTURE ELECTRONICS (CDA) LTD.	Affiliates	3,151,611	15.44	-		350,860	-

Note: For information on loans between the Company and subsidiaries, refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries  
Significant inter-company transactions during the reporting period  
Three months ended March 31, 2025

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)		Transaction terms	Percentage of total operating revenues or total assets (Note 5)
				General ledger account	Amount		
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Sales	\$ 30,735,358	(Note 3)	12
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Accounts receivable	12,257,585	(Note 3)	3
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	23,792,150	(Note 3)	10
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	14,267,511	(Note 3)	3
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	2,397,741	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Accounts receivable	2,185,134	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Sales	561,669	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	746,881	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Sales	3,320,717	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	5,711,561	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Accounts receivable	207,195	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Sales	814,494	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	Affiliates	Accounts receivable	540,754	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Affiliates	Purchases	195,490	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Purchases	2,099,281	(Note 3)	1
0	WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Affiliates	Accounts payable	1,335,028	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Purchases	510,578	(Note 3)	-
0	WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Purchases	1,648,833	(Note 3)	1
1	NUVISION TECHNOLOGY INC.	WT TECHNOLOGY PTE. LTD.	Affiliates	Sales	228,024	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	1,026,752	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	927,487	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Sales	452,003	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT SOLOMON QCE LIMITED	Affiliates	Accounts receivable	363,164	(Note 3)	-
1	NUVISION TECHNOLOGY INC.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	295,008	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	224,938	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	277,438	(Note 3)	-
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Sales	58,485,611	(Note 3)	24
2	MORRIHAN INTERNATIONAL CORP.	MORRIHAN SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	14,505,472	(Note 3)	3
2	MORRIHAN INTERNATIONAL CORP.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	590,913	(Note 3)	-
3	TECHMOSA INTERNATIONAL INC.	WT MICROELECTRONICS CO., LTD.	Affiliates	Accounts receivable	181,821	(Note 3)	-
4	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	400,354	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms (Note 3)	Percentage of total operating revenues or total assets (Note 5)
4	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	522,075		-



Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)		Transaction terms	Percentage of total operating revenues or total assets (Note 5)
				General ledger account	Amount		
4	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	\$ 2,353,191	(Note 3)	1
4	WT MICROELECTRONICS (HONG KONG) LIMITED	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	3,984,987	(Note 3)	1
4	WT MICROELECTRONICS (HONG KONG) LIMITED	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	323,433	(Note 3)	-
5	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	270,781	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,935,817	(Note 3)	2
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Affiliates	Accounts receivable	3,228,800	(Note 3)	1
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Sales	268,943	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHENZHEN) CO., LTD.	Affiliates	Accounts receivable	344,965	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	781,237	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	1,037,117	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY PTE. LTD.	Affiliates	Accounts receivable	196,586	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (H.K.) LIMITED	Affiliates	Sales	370,505	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	EXCELPOINT SYSTEMS (PTE) LTD	Affiliates	Sales	291,938	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Sales	308,303	(Note 3)	-
6	WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD	Affiliates	Accounts receivable	314,438	(Note 3)	-
7	EXCELPOINT SYSTEMS (PTE) LTD	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	255,399	(Note 3)	-
8	EXCELPOINT SYSTEMS (H.K.) LIMITED	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Affiliates	Accounts receivable	1,774,004	(Note 3)	-
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Sales	12,944,949	(Note 3)	5
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts receivable	5,162,160	(Note 3)	1
9	FUTURE ELECTRONICS INC.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	1,167,291	(Note 3)	-
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS AUSTRIA GMBH	Affiliates	Sales	202,324	(Note 3)	-
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	212,883	(Note 3)	-
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Sales	1,844,020	(Note 3)	1
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DEUTSCHLAND GMBH	Affiliates	Accounts receivable	725,729	(Note 3)	-
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS DISTRIBUTION (ISRAEL) LTD	Affiliates	Sales	222,962	(Note 3)	-
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Sales	427,692	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	308,077	(Note 3)	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction (Note 4)			
				General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 5)
10	FUTURE ELECTRONICS LIMITED	FUTURE ELECTRONICS TURKEY İÇ VE DIŞ TİCARET LİMİTED SİRKETİ	Affiliates	Accounts receivable	\$ 173,656	(Note 3)	-
11	FUTURE ELECTRONICS (HONG KONG) LIMITED	FUTURE ELECTRONICS INC. (DISTRIBUTION) PTE LTD	Affiliates	Accounts receivable	426,546	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Purchases	1,011,336	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ADVANCED ELECTRONICS LIMITED	Affiliates	Accounts payable	222,755	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Sales	814,736	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	Affiliates	Accounts receivable	267,902	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	962,725	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	1,257,973	(Note 3)	-
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS (HONG KONG) LIMITED	Affiliates	Sales	3,903,695	(Note 3)	2
12	FUTURE ELECTRONICS INC. (DISTRIBUTION)	FUTURE ELECTRONICS INC.	Affiliates	Sales	179,831	(Note 3)	-
13	FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Purchases	11,783,182	(Note 3)	5
13	FUTURE ELECTRONICS (CDA) LTD.	FUTURE ELECTRONICS DISTRIBUTION CENTER, LP	Affiliates	Accounts payable	3,151,611	(Note 3)	1

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the Company.

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

Note 2: The transaction relationships with the counterparties are as follows:

(1) The Company to the consolidated subsidiary.

(2) The consolidated subsidiary to the Company.

(3) The consolidated subsidiary to another consolidated subsidiary.

Note 3: The prices and terms to related parties were similar to third parties. The credit term is 90 days after the end of each month.

Note 4: For sales, purchases and accounts receivable, transactions reaching NT\$100 million or 20% of paid-in capital or more should be disclosed.

Note 5: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 6: Information of loans between the Company and subsidiaries, please refer to table 1.

WT Microelectronics Co., Ltd. and subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

Three months ended March 31, 2025

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2025			Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025		Footnote
				Balance at March 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value				
WT MICROELECTRONICS CO., LTD.	WINTech MICROELECTRONICS HOLDING LIMITED	British Virgin Islands	Holding company	\$ 157,789	\$ 157,789	4,031,160	100.00	\$ 8,962,165	\$ 109,732	\$ 111,725		Subsidiary
WT MICROELECTRONICS CO., LTD.	TECHMOSA INTERNATIONAL INC.	Taiwan	Sales of electronic components	1,781,829	1,781,829	73,949,070	100.00	3,143,642	246,114	246,114		Subsidiary
WT MICROELECTRONICS CO., LTD.	MORRIHAN INTERNATIONAL CORP.	Taiwan	Sales of electronic components	15,106,620	15,106,620	523,760,000	100.00	21,638,814	1,400,003	1,400,003		Subsidiary
WT MICROELECTRONICS CO., LTD.	BSI SEMICONDUCTOR PTE. LTD.	Singapore	Holding company	486,289	486,289	7,544,002	100.00	866,029	(36)	(36)		Subsidiary
WT MICROELECTRONICS CO., LTD.	NUVISION TECHNOLOGY INC.	Taiwan	Sales of electronic components	323,751	323,751	28,227,197	100.00	1,648,241	152,352	152,352		Subsidiary
WT MICROELECTRONICS CO., LTD.	MILESTONE INVESTMENT CO., LTD.	Taiwan	General investment	61,985	61,985	4,500,000	100.00	120,038	412	412		Subsidiary
WT MICROELECTRONICS CO., LTD.	SINYIE INVESTMENT CO., LTD.	Taiwan	General investment	-	52,000	-	0.00	-	46	46		Subsidiary
WT MICROELECTRONICS CO., LTD.	MSD HOLDINGS PTE. LTD.	Singapore	Sales of electronic components	112,745	112,745	200,001	100.00	152,382	(53)	(53)		Subsidiary
WT MICROELECTRONICS CO., LTD.	MAXTEK TECHNOLOGY CO., LTD.	Taiwan	Sales of electronic components	1,895,949	1,895,949	70,220,331	100.00	1,933,670	7,004	7,004		Subsidiary
WT MICROELECTRONICS CO., LTD.	ANALOG WORLD CO., LTD.	South Korea	Sales of electronic components	397,230	397,230	120,000	100.00	345,182	8,412	(9,857)		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SEMICONDUCTOR HOLDINGS PTE. LTD.	Singapore	Holding company	4,788,966	4,057,274	120,398,640	100.00	4,644,348	(49,920)	(40,249)		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY (H.K.) LIMITED	Hong Kong	Sales of electronic components	-	4,808	-	100.00	-	(24)	(24)		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS (HONG KONG) LIMITED	Hong Kong	Sales of electronic components	402,761	402,761	12,527,632	100.00	934,128	63,048	63,048		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT SOLOMON QCE LIMITED	Hong Kong	Sales of electronic components	451,386	451,386	110,000,000	100.00	611,060	17,150	17,150		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT MICROELECTRONICS SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	128,849	128,849	1,500,000	100.00	1,251,423	237,235	237,235		Subsidiary
WT MICROELECTRONICS CO., LTD.	WT TECHNOLOGY PTE. LTD.	Singapore	Sales of electronic components	156,727	156,727	5,000,000	100.00	169,485	25	25		Subsidiary
WT MICROELECTRONICS CO., LTD.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	64,085,903	64,085,903	51	51.00	66,445,510	1,276,500	611,521		Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2025			Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025	Footnote
				Balance at March 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
WINTech MICROELECTRONICS HOLDING LIMITED	PROMISING INVESTMENT LIMITED	Mauritius	General investment	1,013,936	1,013,936	30,632,506	100.00	905,534	13,153	Note 1	Subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2025			Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025	Footnote
				Balance at March 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
WINTech MICROELECTRONICS HOLDING LIMITED	WINTech INVESTMENT CO., LTD.	Belize	General investment	\$ 695,794	\$ 695,794	21,020,957	100.00	\$ 1,091,661	\$ 1,702	Note 1	Subsidiary
WINTech MICROELECTRONICS HOLDING LIMITED	WINTech MICROELECTRONICS LTD.	Belize	Sales of electronic components	99,303	99,303	3,000,100	100.00	( 534,398)	( 6,265)	Note 1	Subsidiary
WINTech MICROELECTRONICS HOLDING LIMITED	JCD OPTICAL (CAYMAN) CO., LTD.	Cayman Islands	Holding company	78,576	78,576	5,869,093	16.94	16,171	( 15,419)	Note 1	Associates
WINTech MICROELECTRONICS HOLDING LIMITED	JOY CAPITAL LTD.	Seychelles	General investment	39,720	39,720	1,200,000	17.65	12,261	( 4,437)	Note 1	Associates
WINTech MICROELECTRONICS HOLDING LIMITED	RAINBOW STAR GROUP LIMITED	British Virgin Islands	General investment	33,100	33,100	18,924	24.65	-	( 7,826)	Note 1	Associates
PROMISING INVESTMENT LIMITED	NINO CAPITAL CO., LTD.	Samoa	Holding company	10,294	10,294	311,000	100.00	39,695	( 1,218)	Note 1	Subsidiary
PROMISING INVESTMENT LIMITED	RICH WEB LTD.	British Virgin Islands	Holding company	760,454	760,454	22,974,430	100.00	773,652	14,511	Note 1	Subsidiary
WINTech INVESTMENT CO., LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	602,648	602,648	3,800,000	95.47	966,478	( 1,746)	Note 1	Subsidiary
ANALOG WORLD CO., LTD.	LEADER'S TECHNOLOGY CO., LTD.	South Korea	Sales of electronic components	200,994	200,994	10,000	100.00	181,575	( 1,733)	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Selling and technology	3,736	3,736	500,000	100.00	6,153	3,005		
WT MICROELECTRONICS SINGAPORE PTE. LTD.	BRILLNICS INC.	Cayman Islands	Holding company	1,289,708	1,289,708	49,336,630	60.12	405,387	36,755	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS (THAILAND) LIMITED.	Thailand	Sales of electronic components	2,924	2,924	300,000	100.00	2,831	156	Note 1	Subsidiary
WT MICROELECTRONICS SINGAPORE PTE. LTD.	WT MICROELECTRONICS INDIA PRIVATE LIMITED	India	Selling and technology servicing	2,782	2,782	700,000	100.00	( 647)	( 5,602)	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	ASIA LATEST TECHNOLOGY LIMITED	Mauritius	Holding company	37,771	37,771	1,120,000	100.00	46,394	( 64)	Note 1	Subsidiary
MORRIHAN INTERNATIONAL CORP.	FUTURE ELECTRONICS INC.	Canada	Sales of electronic components	61,572,719	61,572,719	49	49.00	63,839,804	1,276,500	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WT TECHNOLOGY KOREA CO., LTD.	South Korea	Sales of electronic components	57,413	57,413	180,472	4.53	30,865	( 1,746)	Note 1	Subsidiary
BSI SEMICONDUCTOR PTE. LTD.	WONCHANG SEMICONDUCTOR CO., LTD.	South Korea	Sales of electronic components	25,960	25,960	53,505	100.00	199,284	( 4,502)	Note 1	Subsidiary
TECHMOSA INTERNATIONAL INC.	MORRIHAN SINGAPORE PTE. LTD.	Singapore	Sales of electronic components	210,451	210,451	7,000,000	100.00	3,123,499	247,118	Note 1	Subsidiary

Table 7, Page 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2025			Net profit (loss) of the investee for the three months ended March 31, 2025	Investment income (loss) recognised by the Company for the three months ended March 31, 2025	Footnote
				Balance at March 31, 2025	Balance at December 31, 2024	Number of shares	Ownership (%)	Book value			
MAXTEK TECHNOLOGY CO., LTD.	HONGTECH ELECTRONICS CO., LTD.	Taiwan	Sales of electronic components	\$ 115,000	\$ 115,000	11,500,000	100.00	\$ 342,695	\$ 2,474	Note 1	Subsidiary
MAXTEK TECHNOLOGY CO., LTD.	LACEWOOD INTERNATIONAL CORP.	British Virgin Islands	Sales of electronic components	98,376	194,366	500	100.00	12,943	412	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS (HK) LIMITED	Hong Kong	Selling and technology servicing	2,118,830	2,118,830	64,013,000	100.00	703,667	38,795	Note 1	Subsidiary
BRILLNICS INC.	BRILLNICS SINGAPORE PTE. LTD.	Singapore	Manufacture of electronic components	24,825	24,825	750,002	100.00	( 24,899)	( 1,534)	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS JAPAN INC.	Japan	Research and development company	22,010	22,010	100,000	100.00	36,732	1,396	Note 1	Subsidiary
BRILLNICS (HK) LIMITED	BRILLNICS (TAIWAN) INC.	Taiwan	Research and development company	16,694	16,694	1,669,410	100.00	48,866	1,466	Note 1	Subsidiary
WT SEMICONDUCTOR HOLDINGDS PTE. LTD.	EXCELPOINT TECHNOLOGY PTE. LTD.	Singapore	Holding company	5,485,960	5,485,960	120,398,640	100.00	4,882,405	( 34,060)	Note 1	Subsidiary

Note 1: Profit (loss) of investee has been included in the investor, and will not be disclosed separately.

Note 2: Because the foreign holding investee companies prepare consolidated financial statements only, which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

WT Microelectronics Co., Ltd. and subsidiaries

Information on investments in Mainland China

Three months ended March 31, 2025

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2025	Net income of investee for the three months ended March 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2025 (Note 2)	Book value of investment in Mainland China as of March 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
SHANGHAI WT MICROELECTRONICS CO., LTD.	International trade, entrepot trade and etc.	\$ 9,930	2	\$ 9,930	\$ -	\$ -	\$ 9,930	(\$ 1,217)	100.00	(\$ 1,217)	\$ 39,615	\$ -	Note 5
WT MICROELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	757,390	2	696,040	-	-	696,040	14,511	100.00	14,511	773,536	-	Note 6
WT MICROELECTRONICS (SHANGHAI) CO., LTD.	International trade	1,163,465	2	633,865	-	-	633,865	67,588	100.00	67,588	2,172,635	-	Note 7
WT MICROELECTRONICS (SHANGHAI) TECHNOLOGY CO., LTD.	Technical service, international trade, entrepot trade and etc.	44,023	3	33,100	-	-	33,100	( 64)	100.00	( 64)	46,385	-	Note 4
JCD OPTICAL CORPORATION	Production and sales of optoelectronic materials and components	168,810	2	21,979	-	-	21,979	( 13,390)	16.94	( 2,268)	9,194	-	Note 8
SYNERGY ELECTRONICS (SHENZHEN) CO., LTD.	International trade, entrepot trade and etc.	8,510	2	-	-	-	-	( 2,733)	100.00	( 2,733)	( 317,724)	-	Note 9
EXCELPOINT INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	49,650	2	-	-	-	-	( 15,902)	100.00	( 15,902)	( 260,500)	-	Note 9
FUTURE ELECTRONICS (SHANGHAI) CO., LTD.	International trade, entrepot trade and etc.	79,440	2	-	-	-	-	901	100.00	901	59,033	-	Note 10
Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)										
WT MICROELECTRONICS CO., LTD.	\$ 1,394,914	\$ 4,373,293	\$ 64,789,635										

Note 1: The investment methods are classified into the following six categories:

- (1) Directly investing in Mainland China.
- (2) Through investing in companies in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Investment gains or losses were recognised based on reviewed financial statements.

Note 3: The amount disclosed was 60% of net assets and based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: This is a China subsidiary which was reinvested through the company in the third area when MORRIHAN INTERNATIONAL CORP. was acquired in September 2009.

Note 5: This is a China company which was invested through the company, NINO CAPITAL CO., LTD., in the third area.

Note 6: This is a China company which was invested through the company, RICH WEB LTD., in the third area.

Note 7: This is a China company which was reinvested through the company, WINTech MICROELECTRONICS HOLDING LIMITED, in the third area.

Note 8: This is a China company which was reinvested through the company, JCD OPTICAL (CAYMAN) CO., LTD., in the third area.

Note 9: This is a China company which was reinvested through the company, EXCELPOINT SYSTEMS (H.K.) LIMITED, in the third area.



Investee in Mainland China	Main business activities	Paid-in capital	Investment method ( Note 1 )	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2025	Net income of investee for the three months ended March 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2025 (Note 2)	Book value of investment in Mainland China as of March 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							

Note 10: This is a China subsidiary which was reinvested through the company in the third area when FUTURE ELECTRONICS INC. was acquired in April 2024.