# WALRUS PUMP CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED FINANCIAL STATEMENTS AND

## INDEPENDENT AUDITORS' REVIEW REPORT

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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 TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Walrus Pump Co., Ltd.

***Introduction***

We have reviewed the accompanying consolidated balance sheets of Walrus Pump Co., Ltd. and subsidiary (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine months 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.

***Qualified 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 September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months 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.

Chen, Ching Chang　　　　Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

November 13, 2025

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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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

| | Assets | Notes | September 30, 2025 AMOUNT | % | December 31, 2024 AMOUNT | % | September 30, 2024 AMOUNT | % |
|---|---|---|---|---|---|---|---|---|
| | **Current assets** | | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | $ 347,203 | 12 | $ 253,819 | 11 | $ 245,495 | 11 |
| 1110 | Current financial assets at fair value through profit or loss | 6(2) | 163 | - | - | - | - | - |
| 1136 | Financial assets at amortised cost-current | 6(3) and 8 | 21,902 | 1 | 11,031 | - | 47,280 | 2 |
| 1150 | Notes receivable, net | 6(4) | 62,736 | 2 | 53,339 | 2 | 54,864 | 2 |
| 1170 | Accounts receivable, net | 6(4) | 222,786 | 8 | 210,550 | 9 | 230,604 | 10 |
| 1200 | Other receivables | | 1,392 | - | 4,248 | - | 4,768 | - |
| 1220 | Current tax assets | | 7,731 | - | - | - | - | - |
| 130X | Inventories | 6(5) | 443,232 | 15 | 412,373 | 17 | 401,559 | 17 |
| 1410 | Prepayments | | 23,610 | 1 | 12,836 | 1 | 19,699 | 1 |
| 1470 | Other current assets | | 504 | - | 623 | - | 453 | - |
| 11XX | **Total current assets** | | 1,131,259 | 39 | 958,819 | 40 | 1,004,722 | 43 |
| | **Non-current assets** | | | | | | | |
| 1600 | Property, plant and equipment | 6(6) and 8 | 1,315,436 | 46 | 1,119,647 | 47 | 1,032,870 | 44 |
| 1755 | Right-of-use assets | 6(7), 7 and 8 | 198,728 | 7 | 229,812 | 10 | 237,118 | 10 |
| 1780 | Intangible assets | 6(8) | 9,429 | - | 7,105 | - | 8,502 | 1 |
| 1840 | Deferred tax assets | | 8,666 | - | 7,464 | - | 6,577 | - |
| 1900 | Other non-current assets | 6(9) and 8 | 226,903 | 8 | 66,118 | 3 | 45,841 | 2 |
| 15XX | **Total non-current assets** | | 1,759,162 | 61 | 1,430,146 | 60 | 1,330,908 | 57 |
| 1XXX | **Total assets** | | $ 2,890,421 | 100 | $ 2,388,965 | 100 | $ 2,335,630 | 100 |

(Continued)

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

| | | | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Liabilities and Equity | Notes | AMOUNT | % | AMOUNT | % | AMOUNT | % |
| | **Current liabilities** | | | | | | | |
| 2100 | Short-term borrowings | 6(10) and 8 | $ 250,000 | 9 | $ 248,000 | 11 | $ 480,000 | 21 |
| 2120 | Current financial liabilities at fair value through profit or loss | | - | - | - | - | - | - |
| 2130 | Contract liabilities-current | 6(18) | 3,683 | - | 8,248 | - | 3,305 | - |
| 2150 | Notes payable | | 9,230 | - | 8,002 | - | 10,839 | - |
| 2170 | Accounts payable | | 190,370 | 7 | 212,579 | 9 | 249,931 | 11 |
| 2200 | Other payables | 6(11) | 117,559 | 4 | 180,752 | 8 | 191,662 | 8 |
| 2230 | Current tax liabilities | | - | - | 7,065 | - | 12,805 | 1 |
| 2250 | Current provisions | | 12,961 | - | 15,294 | 1 | 11,364 | - |
| 2280 | Lease liabilities-current | 7 | 21,670 | 1 | 22,679 | 1 | 23,237 | 1 |
| 2320 | Long-term liabilities, current portion | 6(12) and 8 | 63,948 | 2 | - | - | - | - |
| 2399 | Other current liabilities | 6(14) | 2,535 | - | 2,908 | - | 2,227 | - |
| 21XX | **Total current liabilities** | | 671,956 | 23 | 705,527 | 30 | 985,370 | 42 |
| | **Non-current liabilities** | | | | | | | |
| 2530 | Bonds payable | | 468,154 | 16 | - | - | - | - |
| 2540 | Long-term borrowings | 6(12) and 8 | 688,166 | 24 | 563,684 | 24 | 509,384 | 22 |
| 2550 | Provisions-non-current | 6(14) | 6,604 | - | 6,742 | - | 2,209 | - |
| 2570 | Deferred tax liabilities | | 729 | - | 683 | - | 169 | - |
| 2580 | Lease liabilities-non-current | 7 | 127,190 | 5 | 155,984 | 6 | 160,800 | 7 |
| 2600 | Other non-current liabilities | | 4,004 | - | 233 | - | 271 | - |
| 25XX | **Total non-current liabilities** | | 1,294,847 | 45 | 727,326 | 30 | 672,833 | 29 |
| 2XXX | **Total liabilities** | | 1,966,803 | 68 | 1,432,853 | 60 | 1,658,203 | 71 |
| | **Equity** | | | | | | | |
| | Share capital | 6(15) | | | | | | |
| 3110 | Common share | | 406,491 | 14 | 403,491 | 17 | 353,491 | 15 |
| | Capital surplus | 6(16) | | | | | | |
| 3200 | Capital surplus | | 451,036 | 16 | 403,603 | 17 | 181,313 | 8 |
| | Retained earnings | 6(17) | | | | | | |
| 3310 | Legal reserve | | 31,083 | 1 | 20,967 | 1 | 20,967 | 1 |
| 3350 | Unappropriated retained earnings | | 54,100 | 2 | 123,061 | 5 | 115,910 | 5 |
| | Other equity interest | | | | | | | |
| 3400 | Other equity interest | | ( 19,092) | ( 1) | 4,990 | - | 5,746 | - |
| 3XXX | **Total equity** | | 923,618 | 32 | 956,112 | 40 | 677,427 | 29 |
| | Significant contingent liabilities and unrecognised contract commitments | 9 | | | | | | |
| | Significant events after the balance sheet date | 11 | | | | | | |
| 3X2X | **Total liabilities and equity** | | $ 2,890,421 | 100 | $ 2,388,965 | 100 | $ 2,335,630 | 100 |

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

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

| | | | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2025 | | 2024 | | 2025 | | 2024 | |
| | Items | Notes | AMOUNT | % | AMOUNT | % | AMOUNT | % | AMOUNT | % |
| 4000 | Operating revenue | 6(14)(18) | $ 361,069 | 100 | $ 413,932 | 100 | $ 1,213,798 | 100 | $ 1,227,009 | 100 |
| 5000 | Operating costs | 6(5)(21) | ( 279,732) | ( 78) | ( 288,421) | ( 70) | ( 901,879) | ( 74) | ( 864,239) | ( 70) |
| 5900 | Gross profit from operations | | 81,337 | 22 | 125,511 | 30 | 311,919 | 26 | 362,770 | 30 |
| | Operating expenses | 6(21) | | | | | | | | |
| 6100 | Selling expenses | | ( 24,507) | ( 7) | ( 26,481) | ( 6) | ( 78,156) | ( 7) | ( 72,628) | ( 6) |
| 6200 | Administrative expenses | | ( 48,802) | ( 13) | ( 43,591) | ( 11) | ( 136,122) | ( 11) | ( 131,667) | ( 11) |
| 6300 | Research and development expenses | | ( 17,643) | ( 5) | ( 17,407) | ( 4) | ( 53,542) | ( 4) | ( 46,425) | ( 4) |
| 6450 | Excepted credit impairment loss (gain) | 12(2) | ( 681) | - | ( 186) | - | 922 | - | ( 764) | - |
| 6000 | Total operating expenses | | ( 91,633) | ( 25) | ( 87,665) | ( 21) | ( 266,898) | ( 22) | ( 251,484) | ( 21) |
| 6900 | Operating profit | | ( 10,296) | ( 3) | 37,846 | 9 | 45,021 | 4 | 111,286 | 9 |
| | Non-operating income and expenses | | | | | | | | | |
| 7100 | Interest income | 6(3) | 406 | - | 141 | - | 1,774 | - | 2,192 | - |
| 7010 | Other income | 6(19) | 383 | - | 159 | - | 1,017 | - | 2,599 | - |
| 7020 | Other gains and losses | 6(20) | 3,303 | 1 | ( 2,966) | ( 1) | ( 13,409) | ( 1) | 4,465 | 1 |
| 7050 | Finance costs | 6(7) and 7 | ( 2,970) | - | ( 308) | - | ( 5,667) | ( 1) | ( 5,832) | - |
| 7000 | Total non-operating income and expenses | | 1,122 | 1 | ( 2,974) | - | ( 16,285) | ( 2) | 3,424 | 1 |
| 7900 | **Profit (loss) before income tax** | | ( 9,174) | ( 2) | 34,872 | 9 | 28,736 | 2 | 114,710 | 10 |
| 7950 | Income tax benefit (expense) | 6(22) | 1,511 | - | ( 6,612) | ( 2) | ( 2,848) | - | ( 20,703) | ( 2) |
| 8200 | **Profit (loss) for the period** | | ($ 7,663) | ( 2) | $ 28,260 | 7 | $ 25,888 | 2 | $ 94,007 | 8 |
| | **Other comprehensive income** | | | | | | | | | |
| | **Components of other comprehensive income that will be reclassified to profit or loss** | | | | | | | | | |
| 8361 | Financial statements translation differences of foreign operations | | $ 3,417 | 1 | $ 1,327 | 1 | ($ 3,790) | - | $ 3,303 | - |
| 8300 | **Total other comprehensive income (loss) for the period** | | $ 3,417 | 1 | $ 1,327 | 1 | ($ 3,790) | - | $ 3,303 | - |
| 8500 | **Total comprehensive income (loss) for the period** | | ($ 4,246) | ( 1) | $ 29,587 | 7 | $ 22,098 | 2 | $ 97,310 | 8 |
| | Profit (loss) attributable to: | | | | | | | | | |
| 8610 | Shareholders of the parent | | ($ 7,663) | ( 2) | $ 28,260 | 7 | $ 25,888 | 2 | $ 94,007 | 8 |
| | Total comprehensive income (loss) attributable to: | | | | | | | | | |
| 8710 | Shareholders of the parent | | ($ 4,246) | ( 1) | $ 29,587 | 7 | $ 22,098 | 2 | $ 97,310 | 8 |
| | Earnings per share (in dollars) | 6(23) | | | | | | | | |
| 9710 | Basic earnings per share | | ($ 0.19) | | $ 0.80 | | $ 0.64 | | $ 2.66 | |
| 9810 | Diluted earnings per share | | ( 0.19) | | 0.80 | | 0.64 | | 2.65 | |

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

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

| | Equity attributable to owners of the parent | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Capital Reserves | | | Retained Earnings | | Other Equity Interest | | | |
| | Notes | Ordinary share | Capital surplus | Capital surplus, share options | Capital surplus, restricted stock | Legal reserve | Unappropriated retained earnings | Exchange differences on translation of foreign financial statements | Gains (losses) on remeasurements of defined benefit plan | Other equity, others | Total equity |
| Nine months ended September 30, 2024 | | | | | | | | | | | |
| Balance at January 1, 2024 | | $ 353,491 | $ 181,313 | $ - | $ - | $ 13,647 | $ 85,782 | $ 100 | $ 2,343 | $ - | $ 636,676 |
| Profit for the period | | - | - | - | - | - | 94,007 | - | - | - | 94,007 |
| Other comprehensive income for the period | | - | - | - | - | - | - | 3,303 | - | - | 3,303 |
| Total comprehensive income | | - | - | - | - | - | 94,007 | 3,303 | - | - | 97,310 |
| Distribution of 2023 earnings | | | | | | | | | | | |
| Legal reserve | | - | - | - | - | 7,320 | ( 7,320 ) | - | - | - | - |
| Cash dividends | | - | - | - | - | - | ( 56,559 ) | - | - | - | ( 56,559 ) |
| Balance at September 30, 2024 | | $ 353,491 | $ 181,313 | $ - | $ - | $ 20,967 | $ 115,910 | $ 3,403 | $ 2,343 | $ - | $ 677,427 |
| Nine months ended September 30, 2025 | | | | | | | | | | | |
| Balance at January 1, 2025 | | $ 403,491 | $ 403,603 | $ - | $ - | $ 20,967 | $ 123,061 | $ 2,647 | $ 2,343 | $ - | $ 956,112 |
| Profit for the period | | - | - | - | - | - | 25,888 | - | - | - | 25,888 |
| Other comprehensive loss for the period | | - | - | - | - | - | - | ( 3,790 ) | - | - | ( 3,790 ) |
| Total comprehensive income (loss) | | - | - | - | - | - | 25,888 | ( 3,790 ) | - | - | 22,098 |
| Distribution of 2024 earnings | | | | | | | | | | | |
| Legal reserve | | - | - | - | - | 10,116 | ( 10,116 ) | - | - | - | - |
| Cash dividends | | - | - | - | - | - | ( 84,733 ) | - | - | - | ( 84,733 ) |
| Issuance of Employee Restricted Shares | | 3,000 | - | - | 18,210 | - | - | - | - | ( 21,210 ) | - |
| Compensation cost of Employee Restricted Stock | | - | - | - | - | - | - | - | - | 918 | 918 |
| Issuance of Convertible Bonds | | - | - | 29,223 | - | - | - | - | - | - | 29,223 |
| Balance at September 30, 2025 | | $ 406,491 | $ 403,603 | $ 29,223 | $ 18,210 | $ 31,083 | $ 54,100 | ($ 1,143 ) | $ 2,343 | ($ 20,292 ) | $ 923,618 |

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

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

| | Notes | Nine months ended September 30 2025 | 2024 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | $ 28,736 | $ 114,710 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Gain on current financial assets and liabilities at fair value through profit or loss | 6(2)(20) | ( 593 ) | - |
| Depreciation | 6(6)(7)(21) | 58,240 | 52,652 |
| Amortization | 6(8)(21) | 2,324 | 2,800 |
| Interest income | | ( 1,774 ) | ( 2,192 ) |
| Interest expense | | 5,667 | 5,832 |
| Gain on disposal of property, plant and equipment | 6(20) | ( 10 ) | ( 114 ) |
| Expected credit impairment (gain) loss | 12(2) | ( 922 ) | 764 |
| Compensation cost of Employee Restricted Stock | 6(13) | 918 | - |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Current financial assets and liabilities at fair value through profit or loss | | ( 45 ) | - |
| Notes receivable, net | | ( 9,397 ) | ( 579 ) |
| Accounts receivable, net | | ( 11,314 ) | ( 46,394 ) |
| Other receivables | | 2,868 | ( 2,123 ) |
| Inventories | | ( 30,859 ) | ( 67,975 ) |
| Prepayments | | ( 10,774 ) | ( 10,091 ) |
| Other current assets | | 119 | 275 |
| Other non-current assets | | 22 | 8,372 |
| Changes in operating liabilities | | | |
| Contract liabilities-current | | ( 4,565 ) | ( 5,416 ) |
| Notes payable | | 1,228 | 5,732 |
| Accounts payable | | ( 22,209 ) | 126,585 |
| Other payables | | ( 23,946 ) | 10,597 |
| Current provisions | | ( 2,333 ) | 11,364 |
| Other current liabilities | | ( 373 ) | ( 7,799 ) |
| Provisions-non-current | | ( 138 ) | ( 5,843 ) |
| Other non-current liabilities | | 3,771 | ( 88 ) |
| Cash (outflow) inflow generated from operations | | ( 15,359 ) | 191,069 |
| Interest received | | 1,762 | 2,377 |
| Interest paid | | ( 3,621 ) | ( 5,382 ) |
| Income tax paid | | ( 18,800 ) | ( 8,918 ) |
| Net cash flows (used in) from operating activities | | ( 36,018 ) | 179,146 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| (Increase) decrease in financial assets at amortised cost | | ( 10,871 ) | 14,825 |
| Acquisition of property, plant and equipment | 6(24) | ( 440,203 ) | ( 168,675 ) |
| Proceeds from disposal of property, plant and equipment | | 131 | 152 |
| Acquisition of intangible assets | 6(8) | ( 4,650 ) | ( 1,697 ) |
| Increase in guarantee deposits paid | | ( 501 ) | ( 777 ) |
| Net cash flows used in investing activities | | ( 456,094 ) | ( 156,172 ) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from short-term borrowings | 6(25) | 1,134,573 | 869,291 |
| Repayment of short-term borrowings | 6(25) | ( 1,132,573 ) | ( 846,291 ) |
| Decrease in lease liabilities | 6(25) | ( 17,838 ) | ( 14,810 ) |
| Proceeds from long-term borrowings | 6(25) | 208,430 | 100,616 |
| Repayment of long-term borrowings | 6(25) | ( 20,000 ) | ( 43,089 ) |
| Issuance of Convertible Bonds | | 501,270 | - |
| Payment of cash dividends | 6(17) | ( 84,733 ) | ( 56,559 ) |
| Net cash flows from financing activities | | 589,129 | 9,158 |
| Effect of exchange rate changes | | ( 3,633 ) | 3,105 |
| Net increase in cash and cash equivalents | | 93,384 | 35,237 |
| Cash and cash equivalents at beginning of period | | 253,819 | 210,258 |
| Cash and cash equivalents at end of period | | $ 347,203 | $ 245,495 |

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

WALRUS PUMP CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

Walrus Pump 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.) in April 1978. The Company and its subsidiary (the "Group") are primarily engaged in the design, manufacturing and trading of pumps, motors, sprayers, mechanical parts, hydraulic and pneumatic systems for labor saving, automation machines and their components.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on November 13, 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®") 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 effective from 2026 are as follows:

| New Standards, Interpretations and Amendments | Effective date by International Accounting Standards Board |
|---|---|
| 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 |
| 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 |
| Annual Improvements to IFRS Accounting Standards-Volume 11 | 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 |
|---|---|
| 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 18, 'Presentation and disclosure in financial statements' | January 1, 2027 (Note) |
| IFRS 19, 'Subsidiaries without public accountability: disclosures' | January 1, 2027 |

Note: The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

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 accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, ‘Interim Financial Reporting’ that came into effect as endorsed by the FSC.

B. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

A. Except for the following items, the 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) Defined benefit 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 International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

Basis for preparation of these consolidated financial statements are the same as that for the preparation of the consolidated financial statements as of and for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

| | | | Ownership (%) | | | |
|---|---|---|---|---|---|---|
| Name of investor | Name of subsidiary | Business activities | September 30, 2025 | December 31, 2024 | September 30, 2024 | Description |
| The company | Suzhou Walrus Pump Co., Ltd. | Manufacture and sales of water-pump | 100% | 100% | 100% | - |

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: None.

(4) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using settlement date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

(5) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of 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. At initial recognition, the Group measures the 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.

(6) Convertible bonds payable

A. Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

(a) The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

(b) The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

(c) The embedded conversion options which meet the definition of an equity instrument are initially recognised in ‘capital surplus—share options’ at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

(d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item

(e) When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and ‘financial assets or financial liabilities at fair value through profit or loss’) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and ‘capital surplus—share options’.

(7) Employee benefits

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

(8) Employee share-based payment

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 employees do not have to pay to acquire those stocks, if the employees resign during the vesting period, the Group will redeem at no consideration and retire those stocks

(9) Income tax

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

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There have been no significant changes as of September 30, 2025. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

## 6. Details of Significant Accounts

### (1) Cash and cash equivalents

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Cash on hand | $ 606 | $ 431 | $ 516 |
| Demand and checking accounts deposits | 331,221 | 239,058 | 231,410 |
| Time deposits | 15,376 | 14,330 | 13,569 |
| | $ 347,203 | $ 253,819 | $ 245,495 |

A. 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.

B. The Group has no cash and cash equivalents pledged to others.

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

| Items | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Financial assets mandatorily measured at fair value through profit or loss | | | |
| Derivatives | | | |
| - Call option of convertible bonds | $ - | $ - | $ - |
| Valuation adjustment | 163 | - | - |
| | $ 163 | $ - | $ - |
| Financial liabilities mandatorily measured at fair value through profit or loss | | | |
| Derivatives | | | |
| - Call option of convertible bonds | $ 475 | $ - | $ - |
| Valuation adjustment | ( 475) | - | - |
| | $ - | $ - | $ - |

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

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Financial assets and liabilities mandatorily measured at fair value through profit or loss | | |
| Derivatives | | |
| -Forward foreign exchange contract | ($ 1,081) | $ - |
| -Call option of convertible bonds | 638 | - |
| | ($ 443) | $ - |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Financial assets and liabilities mandatorily measured at fair value through profit or loss | | |
| Derivatives | | |
| -Forward foreign exchange contract | ($ 45) | $ - |
| -Call option of convertible bonds | 638 | - |
| | $ 593 | $ - |

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

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Fnancial assets at amortised cost-current

| Items | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Restricted demand deposits | $ 3,902 | $ 3,031 | $ 39,280 |
| Restricted time deposits | | 8,000 | 8,000 |
| Time deposits with original maturity over three months | 18,000 | | |
| | $ 21,902 | $ 11,031 | $ 47,280 |

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Interest income | $ 132 | $ 11 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Interest income | $ 356 | $ 559 |

B. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Notes receivable | $ 62,736 | $ 53,339 | $ 54,864 |
| Accounts receivable | $ 224,105 | $ 212,800 | $ 233,397 |
| Less: Allowance for uncollectible accounts | ( 1,319) | ( 2,250) | ( 2,793) |
| | $ 222,786 | $ 210,550 | $ 230,604 |

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Not past due | $ 212,815 | $ 208,678 | $ 225,945 |
| Up to 90 days < past due | 11,169 | 4,101 | 7,442 |
| Over 91 days past due | 121 | 21 | 10 |
| | $ 224,105 | $ 212,800 | $ 233,397 |

The above ageing analysis was based on past due date.

B. As of September 30, 2025, December 31, 2024 and September 30, 2024, notes and accounts receivable were all from contracts with customers. As of January 1, 2024, the balance of notes and accounts receivable from contracts with customers amounted to $241,284.

C. The Group has no notes receivable or accounts receivable pledged to others as collateral.

D. As at September 30, 2025, December 31, 2024 and September 30, 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 accounts and notes receivable was $286,841, $266,139 and $288,261, respectively.

E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Inventories

| | September 30, 2025 | | |
|---|---|---|---|
| | Cost | Allowance for valuation loss | Book value |
| Raw materials | $ 150,404 | ($ 12,985) | $ 137,419 |
| Semi-finished goods and work in progress | 232,700 | ( 11,832) | 220,868 |
| Finished goods and merchandise inventory | 86,450 | ( 1,505) | 84,945 |
| | $ 469,554 | ($ 26,322) | $ 443,232 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Cost | Allowance for valuation loss | Book value |
| Raw materials | $ 167,520 | ($ 14,722) | $ 152,798 |
| Semi-finished goods and work in progress | 161,977 | ( 10,097) | 151,880 |
| Finished goods and merchandise inventory | 109,054 | ( 1,359) | 107,695 |
| | $ 438,551 | ($ 26,178) | $ 412,373 |

| | September 30, 2024 | | |
|---|---|---|---|
| | Cost | Allowance for valuation loss | Book value |
| Raw materials | $ 179,389 | ($ 15,435) | $ 163,954 |
| Semi-finished goods and work in progress | 177,948 | ( 10,384) | 167,564 |
| Finished goods and merchandise inventory | 72,285 | ( 2,244) | 70,041 |
| | $ 429,622 | ($ 28,063) | $ 401,559 |

The amount recognised as cost of goods sold for the period:

| | Three months ended September | |
|---|---|---|
| | 2025 | 2024 |
| Cost of goods sold | $ 273,420 | $ 287,102 |
| Estimated warranty loss | 2,663 | 1,183 |
| Inventory valuation loss | 3,786 | 355 |
| Revenue from sale of scraps | ( 137) | ( 219) |
| | $ 279,732 | $ 288,421 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Cost of goods sold | $ 892,031 | $ 861,664 |
| Estimated warranty loss | 7,089 | 3,523 |
| Inventories retirement losses | 3,225 | 1,615 |
| Loss on (gain on reversal of) decline in market value | 145 | ( 1,738) |
| Revenue from sale of scraps | ( 611) | ( 825) |
| | $ 901,879 | $ 864,239 |

The Group reversed a previous inventory write-down which was accounted for as reduction of cost of goods sold because the Company sold certain inventories which were previously provisioned for loss on decline in market value.

(6) Property, plant and equipment

| | 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Land | Buildings and structures | Machinery and equipment | Transportation equipment | Office equipment | Molding equipment | Others | Unfinished construction | Total |
| At January 1 | | | | | | | | | |
| Cost | $ 64,438 | $ 135,724 | $ 280,836 | $ 41,101 | $ 65,251 | $ 148,011 | $ 76,625 | $ 801,459 | $ 1,613,445 |
| Accumulated depreciation | - | ( 40,754) | ( 203,866) | ( 22,343) | ( 49,438) | ( 139,135) | ( 38,262) | - | ( 493,798) |
| | $ 64,438 | $ 94,970 | $ 76,970 | $ 18,758 | $ 15,813 | $ 8,876 | $ 38,363 | $ 801,459 | $ 1,119,647 |
| Opening net book amount as at January 1 | $ 64,438 | $ 94,970 | $ 76,970 | $ 18,758 | $ 15,813 | $ 8,876 | $ 38,363 | $ 801,459 | $ 1,119,647 |
| Additions | - | 17,130 | 23,386 | 8,862 | 5,182 | 4,182 | 4,861 | 171,583 | 235,186 |
| Disposals | - | - | ( 116) | - | ( 5) | - | - | - | ( 121) |
| Reclassifications | - | - | - | - | - | - | - | 4,021 | 4,021 |
| Depreciation charge | - | ( 3,121) | ( 15,387) | ( 4,070) | ( 5,288) | ( 5,177) | ( 10,083) | - | ( 43,126) |
| Net exchange differences | - | - | ( 127) | ( 12) | ( 11) | - | ( 21) | - | ( 171) |
| Closing net book amount as at September 30 | $ 64,438 | $ 108,979 | $ 84,726 | $ 23,538 | $ 15,691 | $ 7,881 | $ 33,120 | $ 977,063 | $ 1,315,436 |
| At September 30 | | | | | | | | | |
| Cost | $ 64,438 | $ 152,854 | $ 300,118 | $ 49,707 | $ 66,643 | $ 148,426 | $ 80,298 | $ 977,063 | $ 1,839,547 |
| Accumulated depreciation | - | ( 43,875) | ( 215,392) | ( 26,169) | ( 50,952) | ( 140,545) | ( 47,178) | - | ( 524,111) |
| | $ 64,438 | $ 108,979 | $ 84,726 | $ 23,538 | $ 15,691 | $ 7,881 | $ 33,120 | $ 977,063 | $ 1,315,436 |

| | 2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Land | Buildings and structures | Machinery and equipment | Transportation equipment | Office equipment | Molding equipment | Others | Unfinished construction | Total |
| At January 1 | | | | | | | | | |
| Cost | $ 64,438 | $ 114,996 | $ 268,569 | $ 34,532 | $ 59,922 | $ 146,679 | $ 68,086 | $ 522,189 | $ 1,279,411 |
| Accumulated depreciation | - | ( 37,301) | ( 193,215) | ( 18,059) | ( 43,241) | ( 134,726) | ( 27,957) | - | ( 454,499) |
| | $ 64,438 | $ 77,695 | $ 75,354 | $ 16,473 | $ 16,681 | $ 11,953 | $ 40,129 | $ 522,189 | $ 824,912 |
| Opening net book amount as at January 1 | $ 64,438 | $ 77,695 | $ 75,354 | $ 16,473 | $ 16,681 | $ 11,953 | $ 40,129 | $ 522,189 | $ 824,912 |
| Additions | - | 15,251 | 9,267 | 5,734 | 3,794 | 3,438 | 7,514 | 198,250 | 243,248 |
| Disposals | - | - | - | - | - | ( 38) | - | - | ( 38) |
| Reclassifications | - | - | - | - | - | - | - | 3,920 | 3,920 |
| Depreciation charge | - | ( 2,520) | ( 12,621) | ( 3,643) | ( 5,594) | ( 6,836) | ( 8,145) | - | ( 39,359) |
| Net exchange differences | - | - | 126 | 22 | 13 | - | 26 | - | 187 |
| Closing net book amount as at September 30 | $ 64,438 | $ 90,426 | $ 72,126 | $ 18,586 | $ 14,894 | $ 8,517 | $ 39,524 | $ 724,359 | $ 1,032,870 |
| At September 30 | | | | | | | | | |
| Cost | $ 64,438 | $ 130,247 | $ 277,011 | $ 39,580 | $ 63,740 | $ 150,079 | $ 75,638 | $ 724,359 | $ 1,525,092 |
| Accumulated depreciation | - | ( 39,821) | ( 204,885) | ( 20,994) | ( 48,846) | ( 141,562) | ( 36,114) | - | ( 492,222) |
| | $ 64,438 | $ 90,426 | $ 72,126 | $ 18,586 | $ 14,894 | $ 8,517 | $ 39,524 | $ 724,359 | $ 1,032,870 |

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Amount capitalised | $ 5,701 | $ 7,523 |
| Range of the interest rates for capitalisation | 2.15%~2.29% | 2.151%~2.611% |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Amount capitalised | $ 15,252 | $ 11,469 |
| Range of the interest rates for capitalisation | 2.15%~2.29% | 2.019%~2.611% |

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(7) Lease transactions－lessee

A. The Group leases various assets including land, buildings and business vehicles. Rental contracts are made for periods of 2 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. Short-term leases with a lease term of 12 months or less comprise outdoor advertising walls. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| | Carrying amount | Carrying amount | Carrying amount |
| Land | $ 161,972 | $ 177,957 | $ 179,396 |
| Buildings | 32,997 | 47,101 | 52,637 |
| Transportation equipment | 3,759 | 4,754 | 5,085 |
| | $ 198,728 | $ 229,812 | $ 237,118 |

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| | Depreciation charge | Depreciation charge |
| Land | $ 79 | $ 80 |
| Buildings | 4,602 | 3,859 |
| Transportation equipment | 332 | 332 |
| | $ 5,013 | $ 4,271 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| | Depreciation charge | Depreciation charge |
| Land | $ 238 | $ 239 |
| Buildings | 13,881 | 12,114 |
| Transportation equipment | 995 | 940 |
| | $ 15,114 | $ 13,293 |

D. For the three months and nine months ended September 30, 2025 and 2024, the additions to right-of-use assets were $0, $0, $634 and $18,330, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Items affecting profit or loss | | |
| Interest expense on lease liabilities | $ 314 | $ 475 |
| Expense on short-term lease contracts | 64 | 227 |
| Expense on leases of low-value assets | 67 | 178 |
| | $ 445 | $ 880 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Items affecting profit or loss | | |
| Interest expense on lease liabilities | $ 1,108 | $ 1,198 |
| Expense on short-term lease contracts | 851 | 922 |
| Expense on leases of low-value assets | 251 | 352 |
| | $ 2,210 | $ 2,472 |

F. For the nine months ended September 30, 2025 and 2024, the Group's total cash outflow for leases were $20,048 and $17,282, respectively.

G. Information about the Group's right-of-use assets that were pledged to others as collateral is provided in Note 8.

(8) Intangible assets

| | 2025 | | |
|---|---|---|---|
| | Trademarks | Computer software | Total |
| At January 1 | | | |
| Cost | $ 1,590 | $ 12,956 | $ 14,546 |
| Accumulated amortisation | - | ( 7,441) | ( 7,441) |
| | $ 1,590 | $ 5,515 | $ 7,105 |
| Opening net book amount as at January 1 | $ 1,590 | $ 5,515 | $ 7,105 |
| Additions | - | 4,650 | 4,650 |
| Amortisation charge | - | ( 2,324) | ( 2,324) |
| Net exchange differences | - | ( 2) | ( 2) |
| Closing net book amount as at September 30 | $ 1,590 | $ 7,839 | $ 9,429 |
| At September 30 | | | |
| Cost | $ 1,590 | $ 17,606 | $ 19,196 |
| Accumulated amortisation | - | ( 9,767) | ( 9,767) |
| | $ 1,590 | $ 7,839 | $ 9,429 |

| | 2024 | | |
|---|---|---|---|
| | Trademarks | Computer software | Total |
| At January 1 | | | |
| Cost | $ 1,590 | $ 11,257 | $ 12,847 |
| Accumulated amortisation | - | ( 3,244) | ( 3,244) |
| | $ 1,590 | $ 8,013 | $ 9,603 |
| Opening net book amount as at January 1 | $ 1,590 | $ 8,013 | $ 9,603 |
| Additions | - | 1,697 | 1,697 |
| Amortisation charge | - | ( 2,800) | ( 2,800) |
| Net exchange differences | - | 2 | 2 |
| Closing net book amount as at September 30 | $ 1,590 | $ 6,912 | $ 8,502 |
| At September 30 | | | |
| Cost | $ 1,590 | $ 12,954 | $ 14,544 |
| Accumulated amortisation | - | ( 6,042) | ( 6,042) |
| | $ 1,590 | $ 6,912 | $ 8,502 |

(9) Other non-current assets

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Prepayments for equipment | $ 212,637 | $ 52,331 | $ 31,676 |
| Guarantee deposits paid | 9,359 | 8,858 | 8,808 |
| Others | 4,907 | 4,929 | 5,357 |
| | $ 226,903 | $ 66,118 | $ 45,841 |

Information on the Group's guarantee deposits paid that were pledged to others as collateral is provided in Note 8.

(10) Short-term borrowings

| Type of borrowings | September 30, 2025 | December 31, 2024 | September 30, 2024 | Collateral |
|---|---|---|---|---|
| Bank borrowings | | | | |
| Secured borrowings | $ 150,000 | $ 248,000 | $ 480,000 | Note |
| Unsecured borrowings | 100,000 | - | - | None |
| | $ 250,000 | $ 248,000 | $ 480,000 | |
| Interest rate range | 2.10%~2.23% | 2.11%~2.33% | 2.11%~2.63% | |

Note: Details of endorsements and guarantees provided to related parties are provided in Note 7, and information relating to the collaterals is provided in Note 8.

(11) Other payables

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Wages, salaries and bonuses payable | $ 50,957 | $ 59,332 | $ 49,941 |
| Payable on construction and equipment | 28,702 | 73,413 | 101,145 |
| Labour and health insurance payable | 6,673 | 4,938 | 5,509 |
| Pension payable | 4,472 | 3,762 | 3,751 |
| Employees' compensation payable | 2,931 | 8,876 | 5,783 |
| Directors' remuneration payable | 827 | 2,536 | 2,308 |
| Others | 22,997 | 27,895 | 23,225 |
| | $ 117,559 | $ 180,752 | $ 191,662 |

(12) Bonds payable

| | | September 30, 2025 |
|---|---|---|
| First convertible bonds | $ | 300,000 |
| Less: Discount on bonds payable | ( | 18,557) |
| | | 281,443 |
| Second convertible bonds | | 200,000 |
| Less: Discount on bonds payable | ( | 13,289) |
| | | 186,711 |
| | $ | 486,154 |

A. There were no such circumstances on December 31, 2024 and September 30, 2024.

B. The information about the convertible bonds issued by the Company is as follows:

(a) The terms and conditions of the Company's first domestic unsecured convertible bonds are as follows:

i. The competent authority has approved the Company's first issuance of overseas unsecured corporate bonds. The total issuance of the bonds amounted to $300,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from July 23, 2025 (grant date) to July 23, 2028 (maturity date). The Company will redeem the bonds in cash at the bonds' face value at the maturity date whithin 10 business days after the maturity date, except when the bondholders convert the bonds into the Company's common shares in accordance with the terms of bonds issuance and conversion, or those redeemed in advance by the Company in accordance with the terms of bonds issuance and conversion, or those repurchased and retired from securities trading markets by the Company The bonds were listed on the Taipei Exchange on July 23, 2025.

ii. From October 24, 2025, the bondholders have the right to ask for conversion of the convertible bonds into common shares of the Company during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. The conversion price of the convertible bonds was NT$63.6 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) The closing price of the Company's common shares is above the then conversion price by more than 30% (inclusive) for 30 consecutive trading days during the period from the date after three months of the bonds issue (October 24, 2025) to 40 days before the maturity date (June 13, 2028), or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue (October 24, 2025) to 40 days before the maturity date (June 13, 2028).

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) For the terms and conditions of the Company's second domestic unsecured convertible bonds are as follows:

i. The competent authority has approved the Company's second time raising and issuance of overseas unsecured corporate bonds. The total issuance of the bonds amounted to $200,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from August 4, 2025 (grant date) to August 4, 2028 (maturity date). The Company will redeem the bonds in cash at the bonds' face value at the maturity date whithin 10 business days after the maturity date, except when the bondholders convert the bonds into the Company's common shares in accordance with the terms of bonds issuance and conversion, or those redeemed in advance by the Company in accordance with the terms of bonds issuance and conversion, or those repurchased and retired from securities trading markets by the Company The bonds were listed on the Taipei Exchange on August 4, 2025.

ii. From November 5, 2025, the bondholders have the right to ask for conversion of the convertible bonds into common shares of the Company during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. The conversion price of the convertible bonds was NT$61.8 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time in accordance with the terms of the bonds, after the following events occur: The closing price of the Company's common shares is above the then conversion price by more than 30% (inclusive) for 30 consecutive trading days during the period from the date after three months of the bonds issue (November 5, 2025) to 40 days before the maturity date (June 25, 2028), or the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue (November 5, 2025) to 40 days before the maturity date (June 25, 2028).

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(c) As of September 30, 2025, the Company's first domestic unsecured convertible bonds and second domestic unsecured convertible bonds were not converted into common shares. As of September 30, 2024, the Company had no issued unsecured convertible bonds.

(d) As of September 30, 2024, the Company's first domestic unsecured convertible bonds and second domestic unsecured convertible bonds were not adjusted the conversion price. As of September 30, 2024, the Company had no issued unsecured convertible bonds.

(e) As of September 30, 2024, the Company did not repurchased its first domestic unsecured convertible bonds and second domestic unsecured convertible bonds from Taipei Exchange. Securities. As of September 30, 2024, the Company had no issued unsecured convertible bonds.

C. Regarding the issuance of first unsecured convertible bonds, the equity conversion options amounting to $16,681 were separated from the liability component and were recognised in 'capital surplus—stock warrants' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IAS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.27%.

Regarding the issuance of second unsecured convertible bonds, the equity conversion options amounting to $12,542 were separated from the liability component and were recognised in 'capital surplus—stock warrants' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IAS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation was 2.42%.

(13) Long-term borrowings

| Type of borrowings | September 30, 2025 | December 31, 2024 | September 30, 2024 | Collateral |
|---|---|---|---|---|
| Long-term bank borrowings | | | | |
| Secured borrowings | $ 722,114 | $ 496,684 | $ 442,384 | Note |
| Unsecured borrowings | 30,000 | 67,000 | 67,000 | None |
| | 752,114 | 563,684 | 509,384 | |
| Less: Current portion | ( 63,948) | - | - | |
| | $ 688,166 | $ 563,684 | $ 509,384 | |
| Interest rate range | 2.15%~2.38% | 2.15% | 2.15%~2.48% | |

Note: Details of endorsements and guarantees provided to related parties are provided in Note 7. Except for the collaterals indirectly guaranteed by the Small & Medium Enterprise Credit Guarantee Fund of Taiwan, information relating to other collaterals is provided in Note 8.

The Company entered into a contract for a syndicated borrowing of banks including First Commercial Bank in April 2023, and the contract period was 7 years. Key contents of the contract are as follows:

(a) The credit line of Tranche A is $640,000, and the credit period is seven years from the date of first drawdown, which is non-revolving.

(b) The credit line of Tranche B is $48,000, and the credit period is seven years from the date of first drawdown, which is non-revolving.

(c) The credit line of Tranche C is $84,000, and the credit period is seven years from the date of first drawdown, which is non-revolving.

(d) The total credit line of Tranche D and Tranche E amounted to $300,000. The credit period of Tranche D is seven years from the date of first drawdown, which is non-revolving. The credit period of Tranche E is five years from the date of first drawdown, which is revolving during the credit period. The credit line shall be reduced from three years after the date of first drawdown and each subsequent year, totaling in three installments. The first and second installment shall be 10%, and the third installment shall be 80% or all of the remaining credit line.

(e) The Company's main commitments are as follows:

i. The Company should provide six parcels of land, including 1st Subsection, Sinyuan Section, Luzhu District, Kaohsiung City, along with the constructed plants and ancillary facilities on the land and eight pieces of machinery and equipment, as collaterals for the credit of Tranche A and Tranche C.

ii. The Company on the semi-annual and annual consolidated financial statements is required to maintain the following restrictions on financial ratios: The current ratio (current assets divided by current liabilities) should not be less than 100%; the debt ratio (total financial liabilities divided by total equity) should not be higher than 300%; the interest coverage ratio [(profit before tax + interest expense + depreciation + amortisation) divided by interest expense] should not be less than 200%; the net tangible assets (total equity - intangible assets) should not be less than NT$300 million.

The Company calculated the abovementioned financial ratios and amounts based on the consolidated financial statements reviewed and audited by the independent auditors on September 30, 2025, December 31, 2024 and September 30, 2024, which were not in violation of the requirements of the syndicated borrowing contract.

(f) As of September 30, 2025, the amount drawn down from the abovementioned credit line was $722,114.

(14) Pensions

A. Effective July 1, 2005, the Company has 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 contributes monthly an amount at least 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. Under the regulations of the People's Republic of China, the mainland subsidiaries included in the preparation of the consolidated financial statements contribute to the pension insurance scheme on a monthly basis at a specified percentage of the total local employee salaries. Each employee's pension is managed and arranged centrally by the government. Apart from the monthly contributions, the Group has no further obligations.

C. The pension costs under the defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024 were $4,313, $3,595, $12,522 and $10,610, respectively.

(15) Share-based payment

A As of September 30, 2025, the Group's share-based payment arrangements were as follows:

| Type of arrangement | Grant date | Quantity (Shares in thousands) | Contract period | Vesting conditions |
|---|---|---|---|---|
| Restricted stocks to employees (Notes 2 and 3) | 1-Sep-25 | 155 | 5 years | Note 1 |
| Restricted stocks to employees (Notes 2 and 3) | 1-Sep-25 | 145 | 3 years | Note 1 |

Note 1: For the employees who are still working in the Company and have achieved their individual target performance since the allocation of restricted stocks, said employees shall be granted restricted stocks in installment..

Note 2: Except for inheritance, the restricted stocks to employees issued by the Group cannot be sold, pledged, transferred, donated, collateralised, or disposed in any other method during the vesting period. When employees have not met the vesting conditions, the Company is entitled to redeem the shares at no consideration and retire the shares.

Note 3: Only full-time employees of the Company who are on board before the grant date of the employee restricted stock are included in the share-based payment arrangements

The abovementioned share-based payment arrangements are equity-settled.

B. The information about the abovementioned share-based payment arrangement is as follows:

| | 2025 |
|---|---|
| | Quantity (Shares in thousands) |
| Beginning balance of employee restricted stock | - |
| Issued during the period | 300 |
| Ending balance of employee restricted stock | 300 |

C. Employee restricted shares which were issued with a par value of NT$10 per share, at an issuance price of NT$0 per share (that is, at no consideration), were measured at fair value based on the closing price of NT$70.7 (in dollars).

D. The compensation costs recognised for the above share-based payment for the three months and nine months ended September 30, 2025 and 2024 were $918, $0, $918 and $0, respectively.

(16) Provisions

| | 2025 | | |
|---|---|---|---|
| | Warranty | Sales discounts and allowances | Total |
| At January 1 | $ 13,388 | $ 8,648 | $ 22,036 |
| Additional provisions | 7,089 | 4,350 | 11,439 |
| Used during the period | ( 5,262) | ( 8,648) | ( 13,910) |
| At September 30 | $ 15,215 | $ 4,350 | $ 19,565 |

| | 2024 | | |
|---|---|---|---|
| | Warranty | Sales discounts and allowances | Total |
| At January 1 | $ 9,202 | $ 6,572 | $ 15,774 |
| Additional provisions | 3,523 | 5,354 | 8,877 |
| Used during the period | ( 4,507) | ( 6,572) | ( 11,079) |
| At September 30 | $ 8,218 | $ 5,354 | $ 13,572 |

Analysis of total provisions:

| | September 30, 2025 | | December 31, 2024 | | September 30, 2024 | |
|---|---|---|---|---|---|---|
| Current | $ | 12,961 | $ | 15,294 | $ | 11,363 |
| Non-current | $ | 6,604 | $ | 6,742 | $ | 2,209 |

(17) Share capital

A. As of September 30, 2025, the Company’s authorised capital was $800,000, consisting of 80,000 thousand shares of ordinary share, and the paid-in capital was $406,491 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Movements in the number of the Company’s ordinary shares outstanding (shares in thousands) for the nine months ended September 30, 2025 and 2024 are as follows:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| At January 1 | $ | 40,349 | $ | 35,349 |
| Issuance of employee restricted shares | | 300 | | - |
| At September 30 | $ | 40,649 | $ | 35,349 |

C. The Shareholders during their meeting on May 27, 2025 adopted a resolution to issue employee restricted ordinary shares, totaling 300 thousand shares. The employee restricted ordinary shares issued are subject to certain transfer restrictions before their vesting conditions are met. Other than these restrictions, these shares issued are the same as other issued ordinary shares. The effective date of the employee restricted ordinary shares was set on September 1, 2025. The shares had been registered on September 11, 2025.

(18) 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. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(19) Retained earnings

A. Under the Company’s Articles of Incorporation, the current year’s earnings, if any, shall first be used to pay all taxes and recover prior year’s losses and then 10% of the remaining amount shall be appropriate as legal reserve unless legal reserve amounts to the total paid-in capital. In addition, special reserve that has been appropriated or reversed in accordance with related regulations along with the accumulated unappropriated earnings shall be proposed by the Board of Directors for earnings appropriation of dividends and be approved to be appropriated as dividends and bonus or to be retained by the shareholders.

B. 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 distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. The appropriations of 2023 earnings as resolved by the shareholders on June 3, 2024 are as follows:

| | 2023 | |
|---|---|---|
| | Amount | Dividends per share (in dollars) |
| Legal reserve | $ 7,320 | |
| Cash dividends | 56,559 | $ 1.6 |
| | $ 63,879 | |

D. The appropriations of 2024 earnings as proposed by the shareholders on May 27, 2025 are as follows:

| | 2024 | |
|---|---|---|
| | Amount | Dividends per share (in dollars) |
| Legal reserve | $ 10,116 | |
| Cash dividends | 84,733 | $ 2.1 |
| | $ 94,849 | |

The Company's cash dividends for the year ended December 31, 2024 had all been distributed on June 30, 2025.

(20) Operating revenue

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Revenue from contracts with customers | $ 361,069 | $ 413,932 |
| | Nine months ended September 30 | |
| | 2025 | 2024 |
| Revenue from contracts with customers | $ 1,213,798 | $ 1,227,009 |

A. Revenue from contracts with customers is disaggregated into the following geographical regions:

| | Sales regions | | | |
|---|---|---|---|---|
| Three months ended September 30, 2025 | Taiwan | Mainland China | Other regions | Total |
| Revenue from contracts with customers | $ 280,139 | $ 40,826 | $ 40,104 | $ 361,069 |

| Three months ended September 30, 2024 | Sales regions | | | |
|---|---|---|---|---|
| | Taiwan | Mainland China | Other regions | Total |
| Revenue from contracts with customers | $ 281,864 | $ 30,716 | $ 101,352 | $ 413,932 |

| Nine months ended September 30, 2025 | Sales regions | | | |
|---|---|---|---|---|
| | Taiwan | Mainland China | Other regions | Total |
| Revenue from contracts with customers | $ 821,856 | $ 107,585 | $ 284,357 | $ 1,213,798 |

| Nine months ended September 30, 2024 | Sales regions | | | |
|---|---|---|---|---|
| | Taiwan | Mainland China | Other regions | Total |
| Revenue from contracts with customers | $ 826,773 | $ 80,956 | $ 319,280 | $ 1,227,009 |

B. The Group has recognised the following sales revenue-related contract liabilities:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Current contract liabilities | $ 1,971 | $ 8,248 | $ 9,865 |

C. The revenue recognised that was included in the contract liability balance at the beginning of the three months and nine months ended September 30, 2025 and 2024 was $0, $19, $8,213 and $8,718, respectively.

(21) Other income

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Government grants revenue | $ 55 | $ 56 |
| Other income | 328 | 103 |
| | $ 383 | $ 159 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Government grants revenue | $ 490 | $ 467 |
| Other income | 527 | 2,132 |
| | $ 1,017 | $ 2,599 |

(22) Other gains and losses

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Net currency exchange gains (losses) | $ 3,786 | ($ 3,055) |
| Gain on disposal of property, plant and equipment | - | 114 |
| Net loss on financial assets and liabilities at fair value through profit or loss | ( 443) | - |
| Other losses | ( 40) | ( 25) |
| | $ 3,303 | ($ 2,966) |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Net currency exchange (losses) gains | ($ 13,822) | $ 4,423 |
| Gain on disposal of property, plant and equipment | 10 | 114 |
| Net gain on financial assets and liabilities at fair value through profit or loss | 593 | - |
| Other losses | ( 190) | ( 72) |
| | ($ 13,409) | $ 4,465 |

(23) Expenses by nature

| | Three months ended September 30, 2025 | | |
|---|---|---|---|
| | Classified as operating costs | Classified as operating expenses | Total |
| Employee benefit expense | | | |
| Wages and salaries | $ 34,500 | $ 41,418 | $ 75,918 |
| Compensation costs of employee restricted stock | - | 918 | 918 |
| Labour and health insurance fees | 4,331 | 4,094 | 8,425 |
| Pension costs | 2,142 | 2,171 | 4,313 |
| Other personnel expenses | 3,012 | 3,231 | 6,243 |
| | $ 43,985 | $ 51,832 | $ 95,817 |
| Depreciation charge | $ 10,812 | $ 8,961 | $ 19,773 |
| Amortisation charge | $ 23 | $ 906 | $ 929 |

| | Three months ended September 30, 2024 | | |
|---|---|---|---|
| | Classified as operating costs | Classified as operating expenses | Total |
| Employee benefit expense | | | |
| Wages and salaries | $ 35,199 | $ 44,285 | $ 79,484 |
| Labour and health insurance fees | 3,466 | 3,571 | 7,037 |
| Pension costs | 1,773 | 1,822 | 3,595 |
| Other personnel expenses | 2,824 | 3,053 | 5,877 |
| | $ 43,262 | $ 52,731 | $ 95,993 |
| Depreciation charge | $ 9,969 | $ 7,414 | $ 17,383 |
| Amortisation charge | $ 1 | $ 864 | $ 865 |

| | Nine months ended September 30, 2025 | | |
|---|---|---|---|
| | Classified as operating costs | Classified as operating expenses | Total |
| Employee benefit expense | | | |
| Wages and salaries | $ 106,525 | $ 130,556 | $ 237,081 |
| Compensation costs of employee restricted stock | - | 918 | 918 |
| Labour and health insurance fees | 12,286 | 12,812 | 25,098 |
| Pension costs | 6,081 | 6,441 | 12,522 |
| Other personnel expenses | 8,254 | 10,597 | 18,851 |
| | $ 133,146 | $ 161,324 | $ 294,470 |
| Depreciation charge | $ 32,764 | $ 25,476 | $ 58,240 |
| Amortisation charge | $ 70 | $ 2,254 | $ 2,324 |

| | Nine months ended September 30, 2024 | | |
|---|---|---|---|
| | Classified as operating costs | Classified as operating expenses | Total |
| Employee benefit expense | | | |
| Wages and salaries | $ 92,857 | $ 124,951 | $ 217,808 |
| Labour and health insurance fees | 9,907 | 10,831 | 20,738 |
| Pension costs | 5,102 | 5,508 | 10,610 |
| Other personnel expenses | 7,090 | 9,306 | 16,396 |
| | $ 114,956 | $ 150,596 | $ 265,552 |
| Depreciation charge | $ 29,992 | $ 22,660 | $ 52,652 |
| Amortisation charge | $ 114 | $ 2,686 | $ 2,800 |

A. According to the Company's amended Articles of Incorporation as resolved by the shareholders at their meeting in 2025, the current year's earnings, if any, shall be used to distribute 3%~10% as employees' compensation, of which at least 2% shall be distributed to rank-and-file employees, and shall not be higher than 2% as directors' remuneration. However, if the Company has accumulated deficit, the current year's earnings shall first be reserved to cover the deficit and then be appropriated as employees' compensation and directors' remuneration based on the abovementioned ratios.

B. For the three months and nine months ended September 30, 2025 and 2024, employees' compensation and directors' remuneration were accrued as follows:

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Employees' compensation | ($ 81) | $ 2,598 |
| Directors' remuneration | ( 23) | 1,039 |
| | ($ 104) | $ 3,637 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Employees' compensation | $ 2,995 | $ 3,805 |
| Directors' remuneration | 856 | 1,522 |
| | $ 3,851 | $ 5,327 |

The aforementioned amounts were recognised in salary expenses.

Employees' compensation of $8,876 and directors' remuneration of $2,536 for 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements. The employees' compensation and directors' remuneration will be distributed in the form of cash.

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.

(24) Income tax

A. Income tax expense

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Current tax: | | |
| Current tax on (loss) profit for the period | ($ 2,014) | $ 7,291 |
| Prior year income tax underestimation | - | 1 |
| Total current tax | ( 2,014) | 7,292 |
| Deferred tax: | | |
| Origination and reversal of temporary differences | 503 | ( 680) |
| Income tax (benefit) expense | ($ 1,511) | $ 6,612 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Current tax: | | |
| Current tax on profit for the period | $ 4,021 | $ 21,294 |
| Prior year income tax overestimation | ( 17) | ( 2,051) |
| Total current tax | 4,004 | 19,243 |
| Deferred tax: | | |
| Origination and reversal of temporary differences | ( 1,156) | 1,460 |
| Income tax expense | $ 2,848 | $ 20,703 |

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(25) Earnings (loss) per share

| | Three months ended September 30, 2025 | | |
|---|---|---|---|
| | Amount after tax | Weighted average number of ordinary shares outstanding (shares in thousands) | Loss per share (in dollars) |
| Basic (diluted) loss per share | | | |
| Loss attributable to ordinary shareholders of the parent | ($ 7,663) | 40,447 | ($ 0.19) |

| | Three months ended September 30, 2024 | | |
|---|---|---|---|
| | Amount after tax | Weighted average number of ordinary shares outstanding (shares in thousands) | Earnings per share (in dollars) |
| Basic earnings per share | | | |
| Profit attributable to ordinary shareholders of the parent | $ 28,260 | 35,349 | $ 0.80 |
| Diluted earnings per share | | | |
| Assumed conversion of all dilutive potential ordinary shares | | | |
| Employees' compensation | - | 82 | |
| Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares | $ 28,260 | 35,431 | $ 0.80 |

| | Nine months ended September 30, 2025 | | |
|---|---|---|---|
| | Amount after tax | Weighted average number of ordinary shares outstanding (shares in thousands) | Earnings per share (in dollars) |
| Basic earnings per share | | | |
| Profit attributable to ordinary shareholders of the parent | $ 25,888 | 40,382 | $ 0.64 |
| Diluted earnings per share | | | |
| Assumed conversion of all dilutive potential ordinary shares | | | |
| Employees' compensation | - | 69 | |
| Employee restricted stock | - | 2 | |
| Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares | $ 25,888 | 40,453 | $ 0.64 |

| | Nine months ended September 30, 2024 | | |
|---|---|---|---|
| | Amount after tax | Weighted average number of ordinary shares outstanding (shares in thousands) | Earnings per share (in dollars) |
| Basic earnings per share | | | |
| Profit attributable to ordinary shareholders of the parent | $ 94,007 | 35,349 | $ 2.66 |
| Diluted earnings per share | | | |
| Assumed conversion of all dilutive potential ordinary shares | | | |
| Employees' compensation | - | 103 | |
| Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares | $ 94,007 | 35,452 | $ 2.65 |

(26) Supplemental cash flow information

A. Investing activities with partial cash payments

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Purchase of property, plant and equipment | $ 235,186 | $ 243,248 |
| Add: Opening balance of payable on construction and equipment | 73,413 | 29,261 |
| Ending balance of prepayments for equipment | 212,637 | 31,676 |
| Less: Ending balance of payable on construction and equipment | ( 28,702) | ( 101,145) |
| Opening balance of prepayments for equipment | ( 52,331) | ( 34,365) |
| Cash paid during the period | $ 440,203 | $ 168,675 |

(27) Changes in liabilities from financing activities

| | 2025 | | | | |
|---|---|---|---|---|---|
| | Short-term borrowings | Long-term borrowings (Note) | Lease liabilities | Bonds payable | Liabilities from financing activities-gross |
| At January 1 | $ 248,000 | $ 563,684 | $ 178,663 | $ - | $ 990,347 |
| Changes in cash flow from financing activities | 2,000 | 188,430 | ( 17,838) | 501,270 | 673,862 |
| Changes in other non-cash items | - | - | ( 11,726) | ( 33,116) | ( 44,842) |
| Net exchange differences | - | - | ( 239) | - | ( 239) |
| At September 30 | $ 250,000 | $ 752,114 | $ 148,860 | $ 468,154 | $ 1,619,128 |

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Short-term borrowings | Long-term borrowings (Note) | Lease liabilities | Bonds payable | Liabilities from financing activities-gross |
| At January 1 | $ 457,000 | $ 451,857 | $ 180,177 | $ - | $ 1,089,034 |
| Changes in cash flow from financing activities | 23,000 | 57,527 | ( 14,810) | - | 65,717 |
| Changes in other non-cash items | - | - | 18,330 | - | 18,330 |
| Net exchange differences | - | - | 340 | - | 340 |
| At September 30 | $ 480,000 | $ 509,384 | $ 184,037 | $ - | $ 1,173,421 |

Note: Including current portion.

7. Related Party Transactions

(1) Names of related parties and relationship

| Company name | Relationship with the Company |
|---|---|
| Raymond Huang | The Company's chairman |
| Amy Huang | The Company's general manager |
| You Chang Investment Co., Ltd. (You Chang Investment) | The Company's director |

(2) Significant related party transactions

A. Lease transactions－lessee

(a) The Company leases buildings from You Chang Investment. Rental contracts are typically made for the period from January 1, 2021 to December 31, 2027. Rents are paid before the 5th day of each month.

(b) Ending balance of right-of-use assets

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| You Chang Investment | $ 25,456 | $ 33,941 | $ 36,770 |

(c) Lease liabilities

(i) Outstanding balance:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| You Chang Investment | $ 26,478 | $ 35,084 | $ 37,929 |

(ii) Interest expense

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| You Chang Investment | $ 119 | $ 167 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| You Chang Investment | $ 394 | $ 537 |

B. Endorsements and guarantees provided to related parties:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Raymond Huang and Amy Huang | $ 1,002,114 | $ 811,684 | $ 989,384 |

(3) Key management compensation

| | Three months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Short-term employee benefits | $ 15,448 | $ 15,665 |
| Post-employment benefits | 507 | 601 |
| Other long-term benefits | 610 | 654 |
| | $ 16,565 | $ 16,920 |

| | Nine months ended September 30 | |
|---|---|---|
| | 2025 | 2024 |
| Short-term employee benefits | $ 47,120 | $ 39,623 |
| Post-employment benefits | 1,791 | 1,632 |
| Other long-term benefits | 1,914 | 1,974 |
| | $ 50,825 | $ 43,229 |

8. Pledged Assets

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

| Pledged asset | Book value September 30, 2025 | Book value December 31, 2024 | Book value September 30, 2024 | Purpose |
|---|---|---|---|---|
| Financial assets at amortised cost-current | $ 3,902 | $ 11,031 | $ 47,280 | Guarantee for short-term borrowings |
| Land | 64,438 | 64,438 | 64,438 | Guarantee for long term and short-term borrowings |
| Buildings and structures | 108,979 | 94,970 | 90,426 | Guarantee for long term and short-term borrowings |
| Unfinished construction | 738,309 | 597,899 | 459,333 | Guarantee for long-term borrowings |
| Right-of-use assets | 186,900 | 211,766 | 215,954 | Guarantee for long term and short-term borrowings |
| Guarantee deposits paid (shown as other non-current assets) | 9,359 | 8,858 | 8,808 | Performance guarantee |
| | $ 1,111,887 | $ 988,962 | $ 886,239 | |

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Property, plant and equipment | $ 177,175 | $ 268,950 | $ 275,233 |

In line with the increase in order volume and production capacity of products, the Group plans to build the plant in Luzhu District, Kaohsiung City. The Group has entered into construction contracts.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

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

Company may adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new shares to reduce debt.

(2) Financial instruments

A. Financial instruments by category

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Financial assets | | | |
| Financial assets mandatorily measured at fair value through profit or loss | $ 163 | $ - | $ - |
| Financial assets at amortised cost | | | |
| Cash and cash equivalents | 347,203 | 253,819 | 245,495 |
| Financial assets at amortised cost | 21,902 | 11,031 | 47,280 |
| Notes receivable | 62,736 | 53,339 | 54,864 |
| Accounts receivable | 222,786 | 210,550 | 230,604 |
| Other receivables | 1,392 | 4,248 | 4,768 |
| Guarantee deposits paid (shown as other non-current assets) | 9,359 | 8,858 | 8,808 |
| | $ 665,541 | $ 541,845 | $ 591,819 |

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Financial liabilities at amortised cost | | | |
| Short-term borrowings | 250,000 | 248,000 | 480,000 |
| Notes payable | 9,230 | 8,002 | 10,840 |
| Accounts payable | 190,370 | 212,579 | 249,931 |
| Other accounts payable | 117,559 | 180,752 | 191,662 |
| Long-term borrowings (including current portion) | 752,114 | 563,684 | 509,384 |
| | $ 1,319,273 | $ 1,213,017 | $ 1,441,817 |
| Lease liability | $ 148,860 | $ 178,663 | $ 184,037 |

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. The 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. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; the subsidiaries' functional currency: RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

| | September 30, 2025 | | |
|---|---|---|---|
| | Foreign currency amount (In thousands) | Exchange rate | Book value (NTD) |
| **(Foreign currency: functional currency)** | | | |
| Financial assets | | | |
| Monetary items | | | |
| USD:NTD | $ 1,482 | 30.45 | $ 45,127 |

| | December 31, 2024 | | |
|---|---|---|---|
| | Foreign currency amount (In thousands) | Exchange rate | Book value (NTD) |
| **(Foreign currency: functional currency)** | | | |
| Financial assets | | | |
| Monetary items | | | |
| USD:NTD | $ 3,558 | 32.79 | $ 116,649 |

| | September 30, 2024 | | |
|---|---|---|---|
| | Foreign currency amount (In thousands) | Exchange rate | Book value (NTD) |
| **(Foreign currency: functional currency)** | | | |
| Financial assets | | | |
| Monetary items | | | |
| USD:NTD | $ 2,036 | 31.65 | $ 64,439 |

iii. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2025 and 2024, amounted to $3,786, ($3,055), ($13,822) and $4,423, respectively.

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

| | Nine months ended September 30, 2025 | | |
|---|---|---|---|
| | Sensitivity analysis | | |
| | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |
| **(Foreign currency: functional currency)** | | | |
| Financial assets | | | |
| Monetary items | | | |
| USD:NTD | 1% | $ 451 | $ - |

| | Nine months ended September 30, 2024 | | |
|---|---|---|---|
| | Sensitivity analysis | | |
| | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |
| **(Foreign currency: functional currency)** | | | |
| Financial assets | | | |
| Monetary items | | | |
| USD:NTD | 1% | $ 644 | $ - |

(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 financia l 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 taking into consideration the entire company's concern. According to the Group's credit policy, 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. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. In line with credit risk management procedure, when the counterparty experiences financial difficulties or dishonors the check, the default has occurred.

iv. The Group manages credit risk of cash in banks and other financial instruments based on the Company's credit policy. Only rated banks with an optimal rating and financial institutes with investment grade are accepted.

v. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk or default on that instrument since initial recognition:

If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

vi. The Group classifies customer's accounts receivable in accordance with credit rating of customer and customer types. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On September 30, 2025, December 31, 2024 and September 30, 2024, the provision matrix is as follows:

| | Not past due | Up to 90 days past due | Over 91 days past due | Total |
|---|---|---|---|---|
| At September 30, 2025 | | | | |
| Expected loss rate | 0.16% | 4.53%~78.88% | 100.00% | |
| Total book value | $ 212,815 | $ 11,169 | $ 121 | $ 224,105 |
| Loss allowance | ( 331) | ( 867) | ( 121) | ( 1,319) |

| | Not past due | Up to 90 days past due | Over 91 days past due | Total |
|---|---|---|---|---|
| At December 31, 2024 | | | | |
| Expected loss rate | 0.50%~1.00% | 2.62%~42.08% | 100.00% | |
| Total book value | $ 208,678 | $ 4,101 | $ 21 | $ 212,800 |
| Loss allowance | ( 1,888) | ( 341) | ( 21) | ( 2,250) |

| | Not past due | Up to 90 days past due | Over 91 days past due | Total |
|---|---|---|---|---|
| At September 30, 2024 | | | | |
| Expected loss rate | 1.01% | 5.42%~46.09% | 100.00% | |
| Total book value | $ 225,945 | $ 7,442 | $ 10 | $ 233,397 |
| Loss allowance | ( 2,236) | ( 547) | ( 10) | ( 2,793) |

vii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

| | 2025 | 2024 |
|---|---|---|
| | Accounts receivable | Accounts receivable |
| At January 1 | $ 2,250 | $ 2,025 |
| (Reversal of) provision for impairment | ( 922) | 764 |
| Net exchange differences | ( 9) | 4 |
| At September 30 | $ 1,319 | $ 2,793 |

viii. The Group did not accrue loss allowance for notes receivable since the Group had no significant expected credit losses of notes receivable.

(c) Liquidity risk

i. Cash flow forecasting is prepared by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

ii. The Group has the following undrawn borrowing facilities:

| | September 30, 2025 | December 31, 2024 | September 30, 2024 |
|---|---|---|---|
| Expiring within one year | $ 924,455 | $ 485,000 | $ 236,000 |
| Expiring beyond one year | 259,886 | 538,316 | 617,016 |
| | $ 1,184,341 | $ 1,023,316 | $ 853,016 |

iii. Except for those listed in the table below, the Group's non-derivative financial liabilities will expire within 1 year. As of September 30, 2025, December 31, 2024 and September 30, 2024, the cash flows within 1 year of notes payable, accounts payable and other payables are in agreement with the balance of each account in the balance sheets.

| September 30, 2025 | Within one year | Beyond one year | Total |
|---|---|---|---|
| Non-derivative financial liabilities: | | | |
| Short-term borrowings | $ 251,586 | $ - | $ 251,586 |
| Lease liability | $ 24,697 | $ 175,168 | $ 199,865 |
| Long-term borrowings (including current portion) | $ 66,154 | $ 761,655 | $ 827,809 |

| December 31, 2024 | Within one year | Beyond one year | Total |
|---|---|---|---|
| Non-derivative financial liabilities: | | | |
| Short-term borrowings | $ 248,800 | $ - | $ 248,800 |
| Lease liability | $ 26,149 | $ 203,409 | $ 229,558 |
| Long-term borrowings (including current portion) | $ 12,790 | $ 618,253 | $ 631,043 |

| September 30, 2024 | Within one year | Beyond one year | Total |
|---|---|---|---|
| Non-derivative financial liabilities: | | | |
| Short-term borrowings | $ 481,327 | $ - | $ 481,327 |
| Lease liability | $ 26,194 | $ 209,520 | $ 235,714 |
| Long-term borrowings (including current portion) | $ 1,287 | $ 553,617 | $ 554,904 |

(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.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The Group's investment in derivative financial instruments are included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

B. Financial instruments not measured at fair value:

The carrying amounts of the Group's cash and cash equivalents, current financial assets at amortised cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings (including current portion) and lease liabilities are approximate to their fair values.

| | September 30, 2025 | | | |
|---|---|---|---|---|
| | Carrying amount | Fair value | | |
| | | Level 1 | Level 2 | Level 3 |
| Financial liabilities: | | | | |
| Bonds payable | $ 468,154 | $ - | $ 473,280 | $ - |

There was no such transaction as of December 31, 2024 and September 30, 2024.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

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

| September 30, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Asset** | | | | |
| Recurring fair value measurements | | | | |
| Financial assets mandatorily measured at fair value through profit or loss | | | | |
| Call options of convertible bonds | $ - | $ 163 | $ - | $ 163 |

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

The fair value of convertible bond - call options is included in level 2, which 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 (i.e. yield curves on the Taipei Exchange).

D. For the nine months ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

E. For the nine months ended September 30, 2025 and 2024, there were no financial and non-financial instruments in Level 3, and there was no transfer into or out from Level 3.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: None.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

F. Significant inter-company transactions during the reporting periods: None.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): None.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 1.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. Segment Information

(1) General information

The management of the Group has identified reportable segments based on the information used by the Board of Directors for decision-making purposes.

The Group is divided into business segments, primarily consisting of the Home Business Unit, Industrial Business Unit, Greater China Region, and International Business Unit.

(2) Measurement of segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows. Additionally, the Group does not provide the chief operating decision maker with total assets and total liabilities figures for making operational decisions.

| | Taiwan | | | | | |
|---|---|---|---|---|---|---|
| Three months ended September 30, 2025 | Home Business Unit | Industrial Business Unit | Others | Greater China Region | International Business Unit | Total |
| Segment revenue | $ 197,121 | $ 43,908 | $ - | $ 40,826 | $ 79,214 | $ 361,069 |
| Segment profit (loss) | $ 159 | ($ 15,033) | ($ 3,490) | $ 3,647 | $ 4,421 | ($ 10,296) |
| Interest income and other income | | | | | | 789 |
| Other gains and losses | | | | | | 3,303 |
| Financial cost | | | | | | ( 2,970) |
| Loss before income tax | | | | | | ( 9,174) |
| Income tax benefit | | | | | | 1,511 |
| Loss for the period | | | | | | ($ 7,663) |

| | Taiwan | | | | | |
|---|---|---|---|---|---|---|
| Three months ended September 30, 2024 | Home Business Unit | Industrial Business Unit | Others | Greater China Region | International Business Unit | Total |
| Segment revenue | $ 237,317 | $ 44,547 | $ - | $ 30,716 | $ 101,352 | $ 413,932 |
| Segment profit (loss) | $ 34,709 | ($ 6,778) | ($ 2,760) | $ 1,016 | $ 11,659 | $ 37,846 |
| Interest income and other income | | | | | | 300 |
| Other gains and losses | | | | | | (2,966) |
| Financial cost | | | | | | ( 308) |
| Profit before income tax | | | | | | 34,872 |
| Income tax expense | | | | | | ( 6,612) |
| Profit for the period | | | | | | $ 28,260 |

| | Taiwan | | | | | |
|---|---|---|---|---|---|---|
| Nine months ended September 30, 2025 | Home Business Unit | Industrial Business Unit | Others | Greater China Region | International Business Unit | Total |
| Segment revenue | $ 642,806 | $ 139,940 | $ - | $ 107,585 | $ 323,467 | $ 1,213,798 |
| Segment profit (loss) | $ 40,949 | ($ 31,342) | ($ 6,412) | $ 8,142 | $ 33,684 | $ 45,021 |
| Interest income and other income | | | | | | 2,791 |
| Other gains and losses | | | | | | ( 13,409) |
| Financial cost | | | | | | ( 5,667) |
| Profit before income tax | | | | | | 28,736 |
| Income tax expense | | | | | | ( 2,848) |
| Profit for the period | | | | | | $ 25,888 |

| | Taiwan | | | | | |
|---|---|---|---|---|---|---|
| Nine months ended September 30, 2024 | Home Business Unit | Industrial Business Unit | Others | Greater China Region | International Business Unit | Total |
| Segment revenue | $ 692,698 | $ 134,075 | $ - | $ 80,956 | $ 319,280 | $ 1,227,009 |
| Segment profit (loss) | $ 86,363 | ($ 25,374) | ($ 2,908) | $ 1,935 | $ 51,270 | $ 111,286 |
| Interest income and other income | | | | | | 4,791 |
| Other gains and losses | | | | | | 4,465 |
| Financial cost | | | | | | ( 5,832) |
| Profit before income tax | | | | | | 114,710 |
| Income tax expense | | | | | | ( 20,703) |
| Profit for the period | | | | | | $ 94,007 |

(3) Reconciliation for segment income

Sales between segments are carried out at arm’s length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

Walrus Pump Co., Ltd. And Subsidiaries

Information on investments in Mainland China

Nine months ended September 30, 2025

Table 1

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 nine months ended September 30, 2025 — Remitted to Mainland China | Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2025 — Remitted back to Taiwan | Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025 | Net income of investee for the nine months ended September 30, 2025 | Ownership held by the Company (direct or indirect) | Investment income (loss) recognised by the Company for the nine months ended September 30, 2025 (Note 2) | Book value of investments in Mainland China as of September 30, 2025 | Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025 | Footnote |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Suzhou Walrus | Manufcture and sales of water-pump | $ 76,113 (USD 2,500 thousand) | (1) | $ 39,579 (USD 1,300 thousand) | $ - | $ - | $ 39,579 (USD 1,300thousand) | $ 8,263 | 100% | $ 8,263 | $ 84,424 | $ - | |

| Company name | Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 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 |
|---|---|---|---|
| Suzhou Walrus | $ 39,579 (USD 1,300 thousand)) | $ 76,113 (USD 2,500 thousand) | $ 554,171 |

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(3) Others

Note 2: Investment income (loss) was recognised based on the financial statements audited by the parent company's CPA.

Note 3: The numbers in this table are expressed in New Taiwan dollars. Where foreign currencies are involved, they are translated into New Taiwan dollars using the U.S. dollar exchange rate of $33.205 as of the balance sheet date.