

**Unictron Technologies Corporation
and Subsidiaries
Consolidated Financial Statements With
Independent Auditors' Review Report
For the Three Months Ended March 31, 2025 and 2024**

**Company Address: No.41 Shuei-Keng, Guan-Si, Hsin-Chu 30648 Taiwan
(R.O.C)
Tel:(03)4072728**

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

Table of contents

Item	Page
I. Cover Page	1
II. Table of Contents	2
III. Independent Auditors' Review Report	3
IV. Consolidated Balance Sheets	4
V. Consolidated Statements of Comprehensive Income	5
VI. Consolidated Statements of Changes in Equity	6
VII. Consolidated Statements of Cash Flows	7
VIII. Notes to Consolidated Financial Statements	
(I) Company history	8
(II) The date and procedure for the adoption of the financial statements	8
(III) Application of newly issued and amended standards and interpretations	8~9
(IV) Summary of significant accounting policies	10
(V) Major sources of uncertainty in significant accounting judgments, estimates and assumptions	10~11
(VI) Description of significant accounting items	11~29
(VII) Related party transactions	29~31
(VIII) Pledged assets	32
(IX) Significant contingent liabilities and unrecognized contractual commitments	32
(X) Significant catastrophic losses	32
(XI) Significant subsequent events	32
(XII) Others	32
(XIII) Notes disclosures	
1. Relevant information on significant transactions	32~33
2. Relevant information on re-investees	34
3. Information on investment in Mainland China	34
(XIV) Department information	34

Independent Auditors’ Review Report

To the Board of Directors of Unictron Technologies Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Unictron Technology Corporation (the "Company") and its subsidiaries (together referred to as the "Group") as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024, the consolidated statement of changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard ("IASs") 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

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 Unictron Technology Corporation and its subsidiaries as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024, the consolidated statement of changes in equity and cash flows for the three months ended March 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ report are Shi-Chun, Hsu and Ching-Wen, Kao.

KPMG

Taipei, Taiwan (Republic of China)

April 29, 2025

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Unictron Technologies Corporation and Subsidiaries

Consolidated Balance Sheets

March 31, 2025, December 31, 2024 and March 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2025		December 31, 2024		March 31, 2024	
Assets		Amount	%	Amount	%	Amount	%
Current assets:							
1100	Cash and cash equivalents (Note 6(1))	\$ 485,975	24	573,584	28	352,161	17
1120	Financial assets at fair value through other comprehensive income—current (Note 6(3))	287,598	14	276,323	13	255,414	13
1136	Financial assets at amortized cost—current (Notes 6(4) and 8)	159,730	8	159,730	8	215,600	11
1170	Notes and accounts receivable, net (Notes 6(5) and (17))	259,617	13	249,178	12	272,354	13
1180	Accounts receivable from related parties (Notes 6(5)、(17) and 7)	11,719	1	14,377	1	15,112	1
1210	Other receivables –related parties(Note 7)	95	-	-	-	-	-
1220	Current tax assets	15,766	1	15,766	1	-	-
1310	Inventories (Note 6(6))	253,853	13	266,859	13	303,611	15
1410	Prepayments and other current assets	<u>9,460</u>	<u>1</u>	<u>10,791</u>	<u>-</u>	<u>7,178</u>	<u>-</u>
	Total current assets	<u>1,483,813</u>	<u>75</u>	<u>1,566,608</u>	<u>76</u>	<u>1,421,430</u>	<u>70</u>
Non-current assets:							
1600	Property, plant and equipment (Note 6(7))	308,736	16	314,083	15	525,259	26
1755	Right-of-use assets (Notes 6(8) and 7)	105,145	5	73,552	4	24,910	1
1780	Intangible assets (Note 6(9))	15,975	1	18,092	1	13,808	1
1840	Deferred income tax assets	29,867	1	29,867	2	26,914	1
1915	Prepayments for equipment	39,480	2	39,500	2	19,095	1
1920	Refundable deposits	<u>8,177</u>	<u>-</u>	<u>6,895</u>	<u>-</u>	<u>4,504</u>	<u>-</u>
	Total non-current assets	<u>507,380</u>	<u>25</u>	<u>481,989</u>	<u>24</u>	<u>614,490</u>	<u>30</u>
	Total assets	<u><u>\$ 1,991,193</u></u>	<u><u>100</u></u>	<u><u>2,048,597</u></u>	<u><u>100</u></u>	<u><u>2,035,920</u></u>	<u><u>100</u></u>

(Continued)

See accompanying notes to consolidated financial statements.

Unictron Technologies Corporation and Subsidiaries**Consolidated Balance Sheets (continued)****March 31, 2025, December 31, 2024 and March 31, 2024****(Expressed in Thousands of New Taiwan Dollars)**

Liabilities and Equity		March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current liabilities:							
2100	Short-term borrowings (Note 6(10))	\$ -	-	23,018	1	-	-
2120	Financial liabilities at fair value through profit or loss - current (Note 6(2))	2,512	-	2,237	-	4,313	-
2170	Notes and accounts payable	119,814	6	126,633	6	92,635	5
2180	Accounts payable - related parties (Note 7)	154	-	49	-	30	-
2219	Other payables (Note 6(18))	162,764	9	201,892	10	137,593	7
2220	Other payables - related parties (Note 7)	7,470	-	6,522	-	5,672	-
2216	Dividends payable (Note 6(15))	117,189	6	-	-	168,751	8
2250	Provision for liabilities - current (Note 6(12))	162	-	217	-	142	-
2281	Lease liabilities - current (Note 6(11))	26,202	1	19,766	1	4,205	-
2282	Lease liabilities - current - related parties (Notes 6(11) and 7)	8,217	-	8,073	1	4,695	-
2300	Other current liabilities (Note 6(17))	<u>10,131</u>	<u>1</u>	<u>21,798</u>	<u>1</u>	<u>9,792</u>	<u>1</u>
Total current liabilities		<u>454,615</u>	<u>23</u>	<u>410,205</u>	<u>20</u>	<u>427,828</u>	<u>21</u>
Non-current liabilities:							
2570	Deferred income tax liabilities	1,187	-	1,187	-	1,595	-
2581	Lease liabilities non-current (Note 6(11))	53,310	3	25,325	1	4,750	-
2582	Lease liabilities - non-current - related parties (Notes 6(11) and 7)	19,117	1	21,203	1	10,773	1
2640	Net defined benefit liabilities - non-current	<u>149</u>	<u>-</u>	<u>370</u>	<u>-</u>	<u>2,742</u>	<u>-</u>
Total non-current liabilities		<u>73,763</u>	<u>4</u>	<u>47,905</u>	<u>2</u>	<u>19,860</u>	<u>1</u>
Total liabilities		<u>528,378</u>	<u>27</u>	<u>458,110</u>	<u>22</u>	<u>447,688</u>	<u>22</u>
Equity (Notes 6(3) and (15))							
3110	Common stock	<u>478,753</u>	<u>24</u>	<u>478,753</u>	<u>23</u>	<u>478,753</u>	<u>24</u>
3200	Capital surplus	<u>659,704</u>	<u>33</u>	<u>690,174</u>	<u>34</u>	<u>690,174</u>	<u>34</u>
Retained earnings:							
3310	Legal reserve	164,693	8	164,693	8	145,073	7
3320	Special reserve	-	-	-	-	10,001	-
3350	Unappropriated earnings	<u>290,276</u>	<u>14</u>	<u>352,578</u>	<u>17</u>	<u>280,106</u>	<u>14</u>
		<u>454,969</u>	<u>22</u>	<u>517,271</u>	<u>25</u>	<u>435,180</u>	<u>21</u>
Other equity:							
3410	Exchange differences on translation of foreign operations	2,288	-	879	-	(401)	-
3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	<u>(46,974)</u>	<u>(2)</u>	<u>(10,665)</u>	<u>-</u>	<u>70,451</u>	<u>3</u>
Total other equity		<u>(44,686)</u>	<u>(2)</u>	<u>(9,786)</u>	<u>-</u>	<u>70,050</u>	<u>3</u>
3500	Treasury stock	<u>(85,925)</u>	<u>(4)</u>	<u>(85,925)</u>	<u>(4)</u>	<u>(85,925)</u>	<u>(4)</u>
Total equity		<u>1,462,815</u>	<u>73</u>	<u>1,590,487</u>	<u>78</u>	<u>1,588,232</u>	<u>78</u>
Total liabilities and equity		<u>\$ 1,991,193</u>	<u>100</u>	<u>2,048,597</u>	<u>100</u>	<u>2,035,920</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unictron Technologies Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		Three Months Ended March 31			
		2025		2024	
		Amount	%	Amount	%
4000	Net revenue (Notes 6(17) ,7 and 14)	\$ 323,563	100	304,634	100
5000	Operating costs (Notes 6(6), (7), (8), (9), (11),(12), (13), (18), 7 and 12)	(225,563)	(70)	(216,494)	(71)
	Gross profit	98,000	30	88,140	29
	Operating expenses (Notes 6(5), (7), (8), (9), (11), (13), (18), 7 and 12):				
6100	Marketing expenses	(12,219)	(4)	(12,284)	(4)
6200	Administrative expenses	(26,743)	(8)	(25,984)	(9)
6300	Research and development expenses	(33,282)	(10)	(27,162)	(9)
6450	Expected credit impairment reversal gain	53	-	2,486	1
6000	Total operating expenses	(72,191)	(22)	(62,944)	(21)
	Operating income	25,809	8	25,196	8
	Non-operating income and expenses (Notes 6(11), (19) and 7):				
7100	Interest income	818	-	935	-
7010	Other income	742	-	347	-
7020	Other gains and losses	1,361	1	2,654	1
7050	Finance costs	(966)	-	(95)	-
	Total non-operating income and expenses	1,955	1	3,841	1
	Income before income tax	27,764	9	29,037	9
7950	Less: Income tax expenses (Note 6(14))	(4,164)	(2)	(3,948)	(1)
	Net income	23,600	8	25,089	8
	Other comprehensive income (Note 6(15)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(35,492)	(11)	7,024	3
8349	Income taxes related to items that may not be reclassified	-	-	-	-
		(35,492)	(11)	7,024	3
8360	Items that may be subsequently reclassified to profit or loss				
8361	Exchange differences on translation of foreign operations	1,409	1	526	-
8399	Income taxes related to items that may be reclassified	-	-	-	-
		1,409	1	526	-
	Other comprehensive income of the period	(34,083)	(10)	7,550	3
	Total comprehensive income of the period	\$ (10,483)	(3)	32,639	11
	Earnings per share (Unit: NT\$, Note 6(16))				
9750	Basic earnings per share	\$ 0.50		0.54	
9850	Diluted earnings per share	\$ 0.50		0.53	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unictron Technologies Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Three Months Ended March 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

Equity attributed to owners of parent

	Retained earnings						Exchange differences on translation of foreign operations	Other equity items		Treasury stock	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total		Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Total		
Balance of January 1, 2024	\$ 478,753	690,174	145,073	10,001	423,768	578,842	(927)	63,427	62,500	(85,925)	1,724,344
Net income of the period	-	-	-	-	25,089	25,089	-	-	-	-	25,089
Other comprehensive income of the period	-	-	-	-	-	-	526	7,024	7,550	-	7,550
Total comprehensive income of the period	-	-	-	-	25,089	25,089	526	7,024	7,550	-	32,639
Appropriation and distribution of earnings:											
Cash dividends distributed to shareholders	-	-	-	-	(168,751)	(168,751)	-	-	-	-	(168,751)
Balance of March 31, 2024	\$ 478,753	690,174	145,073	10,001	280,106	435,180	(401)	70,451	70,050	(85,925)	1,588,232
Balance of January 1, 2025	\$ 478,753	690,174	164,693	-	352,578	517,271	879	(10,665)	(9,786)	(85,925)	1,590,487
Net income of the period	-	-	-	-	23,600	23,600	-	-	-	-	23,600
Other comprehensive income of the period	-	-	-	-	-	-	1,409	(35,492)	(34,083)	-	(34,083)
Total comprehensive income of the period	-	-	-	-	23,600	23,600	1,409	(35,492)	(34,083)	-	(10,483)
Appropriation and distribution of earnings:											
Cash dividends distributed to shareholders	-	-	-	-	(86,719)	(86,719)	-	-	-	-	(86,719)
Cash dividend distributed from capital surplus	-	(30,470)	-	-	-	-	-	-	-	-	(30,470)
Disposal of financial Assets at fair value through other comprehensive income	-	-	-	-	817	817	-	(817)	(817)	-	-
Balance of March 31, 2025	\$ 478,753	659,704	164,693	-	290,276	454,969	2,228	(46,974)	(44,686)	(85,925)	1,462,815

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Unictron Technologies Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Income before income tax	\$ 27,764	29,037
Adjustments for:		
Income and expenses items		
Depreciation expenses	26,076	31,703
Amortization expenses	2,120	995
Expected credit impairment reversal gain	(53)	(2,486)
Interest expenses	966	95
Interest income	(818)	(935)
Total income and expenses items	28,291	29,372
Changes in assets/liabilities related to operating activities:		
Net changes in assets related to operating activities:		
Financial assets at fair value through profit or loss	-	3,945
Notes and accounts receivable	(10,386)	(4,768)
Accounts receivable - related parties	2,658	(6,998)
Other receivable - related parties	(95)	-
Inventories	13,006	25,392
Prepayments and other current assets	1,332	318
Total net changes in assets related to operating activities	6,515	17,889
Net changes in liabilities related to operating activities:		
Financial liabilities at fair value through profit or loss	275	4,300
Notes and accounts payable	(6,819)	(14,998)
Accounts payable - related parties	105	13
Other payables	(38,058)	(65,738)
Other payables - related parties	948	(334)
Provision for liabilities	(55)	(40)
Other current liabilities	(11,667)	(822)
Net defined benefit liabilities	(221)	(196)
Total net changes in liabilities related to operating activities	(55,492)	(77,815)
Total net changes in assets and liabilities related to operating activities	(48,977)	(59,926)
Total adjustments	(20,686)	(30,554)
Cash inflows(outflows) from operations	7,078	(1,517)
Interest received	817	937
Interest paid	(1,079)	(95)
Income taxes paid	(31)	(2,829)
Net cash inflows(outflows) from operating activities	6,785	(3,504)

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Unictron Technologies Corporation and Subsidiaries
Consolidated Statements of Cash Flows (continued)
For the Three Months Ended March 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Three Months Ended March 31,	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(94,916)	-
Disposal of financial assets at fair value through other comprehensive income	48,148	-
Acquisition of property, plant and equipment (including prepayments for land and equipment)	(17,699)	(14,024)
Acquisition of intangible assets	-	(8,479)
(Increase)Decrease in refundable deposits	(1,282)	701
Net cash outflows from investing activities	(65,749)	(21,802)
Cash flows from financing activities:		
Decrease in short-term borrowings	(23,018)	-
Principal repayment of leases	(6,809)	(5,619)
Net cash outflows from financing activities	(29,827)	(5,619)
Effect of changes in exchange rates	1,182	530
Decrease in cash and cash equivalents of the period	(87,609)	(30,395)
Balance of cash and cash equivalents at beginning of period	573,584	382,556
Balance of cash and cash equivalents at end of period	\$ 485,975	352,161

See accompanying notes to consolidated financial statements.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(I) Company history

Unictron Technologies Corporation (hereinafter referred to as "the Company") was established on April 8, 1988 with the approval of the Ministry of Economic Affairs. Its registered office is at No.41 Shuei-Keng, Guan-Si, Hsin-Chu 30648 Taiwan (R.O.C). The principal business of the Company and its subsidiaries (hereinafter referred to as the "Group") is the manufacture and sale of electronic ceramic components, modules and system products and other electronic parts and components.

(II) The date and procedure for the adoption of the financial statements

The consolidated financial reports were approved and issued by the Board of Directors on April 29, 2025.

(III) Application of newly issued and amended standards and interpretations

1. Impact of adopting newly issued and amended standards and interpretations recognized by the Financial Supervisory Commission ("FSC")

From January 1, 2025, the Company adopted the following newly amended IFRS, which did not have a significant impact on the consolidated financial reports.

- Amendment to IAS 21 – "Lack of Exchangeability"

2. Impact of not yet adopting the IFRS recognized by the FSC

The Group assesses that the application of the following newly amended IFRS, which are effective from January 1, 2026, will not have a material impact on the consolidated financial reports.

- Amendments to IFRS 9 and IFRS 7 – "Classification and Measurement of Financial Instruments": Application Guidance on Section 4.1 of IFRS 9 and Related Disclosure Requirements under IFRS 7

3. Newly issued and amended standards and interpretations not recognized by the FSC

The standards and interpretations that have been issued and revised by the IAS Board, but have not yet been approved by the FSC may be relevant to the Group as follows:

Newly released or revised standards	Main revisions	Effective date issued by the Board of Directors
IFRS 18 "Presentation and Disclosures in Financial Statements"	The new standard introduces three categories of income and expense, two income statement subtotals, and a single note on management's performance measurement. These three revisions and strengthened guidance on how to segment information in financial statements lay the foundation for providing users with better and more consistent information and will impact all companies.	January 1, 2027

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

Newly released or revised standards			Main revisions	Effective date issued by the Board of Directors
IFRS	18	"Presentation and Disclosures in Financial Statements"	<ul style="list-style-type: none"> • More structured income statements: Under current standards, companies use different formats to express their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured income statement, introduces a new definition of "operating profit" subtotal, and stipulates that all income and expenses and losses will be classified into three new different categories based on the company's main operating activities. • Management performance measurement (MPM): The new standard introduces the definition of management performance measurement and requires companies to explain, for each measurement indicator in a single note to the financial statements, why it provides useful information, how it is calculated, and how it combines the measurement indicator. Reconciled with amounts recognized under IFRS accounting standards. • More granular information: The new standard includes guidance on how companies can enhance the grouping of information in their financial statements. This includes guidance on whether the information should be included in the main financial statements or further broken down in the notes. 	January 1, 2027

The Group is evaluating the impact of adopting the above standards or interpretations on its consolidated financial position and consolidated financial performance. The results will be disclosed after the Group completes the assessment.

The Group does not expect the following other newly issued and amended standards that have not yet been endorsed will have a significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosure"
- Amendments to IFRS 9 and amendments to IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7.
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and amendments to IFRS 7 "Contracts Based on Natural Power Sources"

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(IV) Summary of significant accounting policies

1. Statement of Compliance

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and IAS 34, interim Financial Reporting, as endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed by the FSC with effective dates.

Except as described below, the significant accounting policies applied in the consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended December 31, 2024, and have been applied consistently to all periods in the consolidated financial statements. Refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024 for the details. Basis of consolidation.

2. Basis of consolidation

(1) Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements include:

<u>Name of investor companies</u>	<u>Name of subsidiaries</u>	<u>Business nature</u>	<u>Percentage of shareholding</u>			<u>Description</u>
			<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
The Company	Unicom Technologies, Inc. (UTI)	Investment holdings	100.00%	100.00%	100.00%	
UTI	Unictron Technologies Corporation (Shenzhen) Co., Ltd. (Unictron Shenzhen)	Design and marketing of antenna and modules for wireless communication	100.00%	100.00%	100.00%	
The Company	Unictron Technologies Vietnam Co., Ltd. (UTV)	Manufacturing and sales of antennas for wireless communications	100.00%	100.00%	-	Note 1

Note 1: It is a newly established subsidiary in 2024.

(2) Subsidiaries not included in the consolidated financial statements: None.

3. Employee benefits

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

4. Income taxes

The Company measures and discloses interim period income tax expense in accordance with paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expense for the period is best estimated by multiplying pre-tax income of the interim period by a projected annual effective tax rate, and is recognized as current tax expense.

Income taxes that are recognized directly in equity or other comprehensive income are measured in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases at the tax rates that are expected to be applied in the year in which the asset is realized or the liability is settled.

(V) Major sources of uncertainty in significant accounting judgments, estimates and assumptions

In preparing these consolidated financial statements in accordance with the preparation guidelines and IAS 34 “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission, management is required to make judgments and estimates concerning the future, including climate-related risks and opportunities. These judgments and estimates affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from those estimates.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

The critical accounting judgments, and key sources of estimation and assumption uncertainty applied by management in the preparation of these interim consolidated financial statements, are consistent with those disclosed in Note 5 of the consolidated financial statements for the year ended December 31, 2024.

(VI) Description of significant accounting items

Except as described below, the description of significant accounts in the accompanying consolidated financial statements is not materially different from the consolidated financial statements for the year ended December 31, 2024. For the related information please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2024.

1. Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and working capital	\$ 508	533	404
Demand deposits and checking deposits	426,047	513,872	292,826
Time deposits with original maturities of less than three months	59,420	59,179	58,931
	<u>\$ 485,975</u>	<u>573,584</u>	<u>352,161</u>

2. Financial assets and liabilities at fair value through profit or loss - current

	March 31, 2025	December 31, 2024	March 31, 2024
Financial liabilities at fair value through profit or loss - current:			
Forward foreign exchange contracts	<u>\$ 2,512</u>	<u>2,237</u>	<u>4,313</u>

Please refer to 6(19) for the details of amounts recognized at fair value through profit or loss.

The Group entered into derivative financial instruments to hedge the exposure to exchange rate risk arising from operating activities and reported them as financial assets or liabilities at fair value through profit or loss because hedge accounting was not applicable. Details of the Group's outstanding derivative financial instruments at the reporting date is as follows:

March 31, 2025			
	<u>Contract amount (in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts	US\$ <u>5,159</u>	Buy NT\$ / Sell US\$	April 8, 2025~August 20, 2025
December 31, 2024			
	<u>Contract amount (in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts	US\$ <u>4,181</u>	Buy NT\$ / Sell US\$	January 6, 2025~May 20, 2025
March 31, 2024			
	<u>Contract amount (in thousands)</u>	<u>Currency</u>	<u>Maturity period</u>
Forward foreign exchange contracts	US\$ <u>5,590</u>	Buy NT\$ / Sell US\$	April 3, 2024~ August 20, 2024

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

3. Financial assets at fair value through other comprehensive income - current

	March 31, 2025	December 31, 2024	March 31, 2024
Equity instruments at fair value through other comprehensive income:			
Domestic listed company shares	\$ <u>287,598</u>	<u>276,323</u>	<u>255,414</u>

The above investments in equity instruments are strategic investments and are not held for trading purposes. Therefore, they are designated as at fair value through other comprehensive income.

In March 2025, the Group disposed of equity instruments measured at fair value through other comprehensive income (FVOCI), with a fair value at the time of disposal amounting to NT\$48,148 thousand. The cumulative gain on disposal was NT\$817 thousand, which was reclassified from other components of equity to retained earnings.

For the three months ended March 31, 2024, the Group did not dispose of any strategic investments, and no cumulative gains or losses relating to these investments were reclassified within equity.

4. Financial assets measured at amortized cost - current

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits with original maturities of more than three months but less than one year	\$ 145,000	145,000	215,000
Pledged time deposits (Note 8)	14,730	14,730	600
	\$ <u>159,730</u>	<u>159,730</u>	<u>215,600</u>

The Group assesses that the above assets are held to maturity to collect the contractual cash flows and that the cash flows from these financial assets are solely attributable to the payment of principal and interest on the principal amount outstanding. Therefore, they are therefore reported as financial assets at amortized cost.

Please refer Note 8 for details of financial assets pledged and guaranteed by the Group as collateral.

5. Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes and accounts receivable	\$ 260,967	250,559	275,006
Accounts receivable - related parties	11,719	14,377	15,112
	272,686	264,936	290,118
Less: Allowance for losses	(1,350)	(1,381)	(2,652)
	\$ <u>271,336</u>	<u>263,555</u>	<u>287,466</u>

The Group uses a simplified approach to estimate expected credit losses for all notes and accounts receivable (including related parties), which represents that the expected credit losses are measured using the expected credit losses over the life of the instruments and are included in forward-looking information. The analysis of expected credit losses on notes and accounts receivable (including related parties) are as follows:

**Notes to consolidated financial reports of Unictron Technologies Corporation and
Subsidiaries (continued)**

	March 31, 2025		
	Carrying amounts of notes and accounts receivable (including related parties)	Weighted average expected credit loss ratio	Expected credit losses during the allowance period
Not past due	\$ 263,147	0.14%	363
Less than 30 days past due	3,257	1.32%	43
31 to 60 days past due	5,393	7.12%	384
61-90 days past due	401	31.42%	126
91-120 days past due	64	26.56%	17
Over 121 days past due	424	100.00%	424
	<u>\$ 272,686</u>		<u>1,350</u>

	December 31, 2024		
	Carrying amounts of notes and accounts receivable (including related parties)	Weighted average expected credit loss ratio	Expected credit losses during the allowance period
Not past due	\$ 250,006	0.15%	363
Less than 30 days past due	11,032	1.77%	195
31 to 60 days past due	2,106	8.02%	169
61-90 days past due	1,385	28.16%	390
91-120 days past due	376	61.97%	233
Over 121 days past due	31	100.00%	31
	<u>\$ 264,936</u>		<u>1,381</u>

	March 31, 2024		
	Carrying amounts of notes and accounts receivable (including related parties)	Weighted average expected credit loss ratio	Expected credit losses during the allowance period
Not past due	\$ 274,146	0.14%	372
Less than 30 days past due	5,440	1.96%	107
31 to 60 days past due	8,198	8.34%	684
61-90 days past due	495	20.41%	101
91-120 days past due	1,215	62.88%	764
Over 121 days past due	624	100.00%	624
	<u>\$ 290,118</u>		<u>2,652</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

The changes in allowance for losses on notes and accounts receivable (including related parties) are as follows:

	For the three months ended March 31,	
	2025	2024
Balance, beginning of the period	\$ 1,381	5,072
Reversal on impairment loss	(53)	(2,486)
Foreign currency translation losses	22	66
Balance, end of the period	<u>\$ 1,350</u>	<u>2,652</u>

6. Inventories

(1) Details of inventories as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	\$ 74,738	77,097	109,640
Work in process	101,727	115,382	114,834
Finished products	67,618	65,326	69,663
Goods	9,770	9,054	9,474
	<u>\$ 253,853</u>	<u>266,859</u>	<u>303,611</u>

(2) Details of operating costs recognized in the current period is as follows:

	For the three months ended March 31,	
	2025	2024
Cost of inventories sold	\$ 220,107	214,105
Loss on inventory valuation	5,456	2,389
	<u>\$ 225,563</u>	<u>216,494</u>

The above inventory falling price loss is recognized as an inventory falling price loss due to the offset of inventories to net realizable value, which are recognized in operating costs.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

7. Property, plant and equipment

Details of the changes in the cost of property, plant and equipment and accumulated depreciation are as follows:

	Land	Building and construction	Machinery equipment	Transportation equipment	Office equipment	Other equipment	Total
Costs:							
Balance of January 1, 2025	\$ 122,635	42,387	372,917	7,932	17,008	184,670	747,549
Additions during the period	-	-	7,636	-	48	498	8,812
Reclassified from prepaid equipment	-	-	4,427	-	-	-	4,427
Effect of changes in exchange rates	-	-	318	-	43	-	361
Balance of March 31, 2025	<u>\$ 122,635</u>	<u>42,387</u>	<u>385,298</u>	<u>7,932</u>	<u>17,099</u>	<u>185,168</u>	<u>760,519</u>
Balance of January 1, 2024	\$ 259,080	112,489	340,770	7,932	13,424	167,593	901,288
Additions during the period	-	95	1,171	-	166	5,056	6,488
Disposal during the period	-	-	-	-	(33)	-	(33)
Reclassified from prepaid equipment	-	-	662	-	100	2,139	2,901
Effect of changes in exchange rates	-	-	101	-	4	-	105
Balance of March 31, 2024	<u>\$ 259,080</u>	<u>112,584</u>	<u>342,704</u>	<u>7,932</u>	<u>13,661</u>	<u>174,788</u>	<u>910,749</u>
Accumulated depreciation:							
Balance of January 1, 2025	\$ -	21,093	261,142	7,532	12,021	131,678	433,466
Depreciation during the period	-	493	11,565	75	515	5,565	18,213
Effect of changes in exchange rates	-	-	99	-	5	-	104
Balance of March 31, 2025	<u>\$ -</u>	<u>21,586</u>	<u>272,806</u>	<u>7,607</u>	<u>12,541</u>	<u>137,243</u>	<u>451,783</u>
Balance of January 1, 2024	\$ -	37,865	210,636	7,027	9,465	94,413	359,406
Depreciation during the period	-	1,134	13,791	149	826	10,125	26,025
Disposal during the period	-	-	-	-	(33)	-	(33)
Effect of changes in exchange rates	-	-	89	-	3	-	92
Balance of March 31, 2024	<u>\$ -</u>	<u>38,999</u>	<u>224,516</u>	<u>7,176</u>	<u>10,261</u>	<u>104,538</u>	<u>385,490</u>
Carrying amounts:							
March 31, 2025	<u>\$ 112,635</u>	<u>20,801</u>	<u>112,492</u>	<u>325</u>	<u>4,558</u>	<u>47,925</u>	<u>308,736</u>
January 1, 2025	<u>\$ 112,635</u>	<u>21,294</u>	<u>111,775</u>	<u>400</u>	<u>4,987</u>	<u>52,992</u>	<u>314,083</u>
March 31, 2024	<u>\$ 259,080</u>	<u>73,585</u>	<u>118,188</u>	<u>756</u>	<u>3,400</u>	<u>70,250</u>	<u>525,259</u>

8. Right-of-use assets

	Building and construction
Costs of right-to-use assets:	
Balance of January 1, 2025	\$ 104,766
Additions	39,169
Effect of changes in exchange rates	409
Balance of March 31, 2025	<u>\$ 144,344</u>
Balance of January 1, 2024	\$ 102,283
Effect of changes in exchange rates	180
Balance of March 31, 2024	<u>\$ 102,463</u>
Accumulated depreciation of right-of-use assets:	
Balance of January 1, 2025	\$ 31,214
Depreciation	7,863
Effect of changes in exchange rates	122
Balance of March 31, 2025	<u>\$ 39,199</u>
Balance of January 1, 2024	\$ 71,857
Depreciation	5,678
Effect of changes in exchange rates	18
Balance of March 31, 2025	<u>\$ 77,553</u>
Carrying amounts:	
March 31, 2025	<u>\$ 105,145</u>
January 1, 2025	<u>\$ 73,552</u>
March 31, 2024	<u>\$ 24,910</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

9. Intangible assets

Details of the changes in the cost and accumulated amortization of intangible assets are as follows:

	<u>Software purchased</u>
Costs:	
Balance of January 1, 2025,	\$ 47,291
Effect of changes in exchange rates	32
Balance of March 31, 2025	<u>\$ 47,323</u>
Balance of January 1, 2024	\$ 29,317
Acquired separately	8,479
Effect of changes in exchange rates	34
Balance of March 31, 2024	<u>\$ 37,830</u>
Accumulated amortization:	
Balance of January 1, 2025	\$ 29,199
Amortization during the period	2,120
Effect of changes in exchange rates	29
Balance of March 31, 2025	<u>\$ 31,348</u>
Balance of January 1, 2024	\$ 22,996
Amortization during the period	995
Effect of changes in exchange rates	31
Balance of March 31, 2024	<u>\$ 24,022</u>
Carrying amounts:	
Balance of March 31, 2025	<u>\$ 15,975</u>
Balance of January 1, 2025	<u>\$ 18,092</u>
Balance of March 31, 2024	<u>\$ 13,808</u>

Amortization expenses of intangible assets are reported in the consolidated statement of comprehensive income as follows:

	<u>For the three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Operating costs	\$ 1	128
Operating expenses	2,119	867
	<u>\$ 2,120</u>	<u>995</u>

10. Short-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured borrowings	\$ -	23,018	-
Unused balance	<u>\$ 920,000</u>	<u>896,982</u>	<u>920,000</u>
Interest rate range	<u>-</u>	<u>5.52%~5.84%</u>	<u>-</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

11. Lease liabilities

The carrying amounts of the Group's lease liabilities are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Current:			
Related parties	\$ <u>8,217</u>	<u>8,073</u>	<u>4,695</u>
Non-related parties	\$ <u>26,202</u>	<u>19,766</u>	<u>4,205</u>
Non-current:			
Related parties	\$ <u>19,117</u>	<u>21,023</u>	<u>10,773</u>
Non-related parties	\$ <u>53,310</u>	<u>25,325</u>	<u>4,750</u>

For maturity analysis, please refer to Note 6(20) financial instruments.

The amounts recognized in profit or loss are as follows:

	For the three months ended March 31, 2025	2024
Interest expenses on lease liabilities	\$ <u>578</u>	<u>95</u>
Short-term lease payments	\$ <u>203</u>	<u>570</u>

The amounts recognized in the statement of cash flows are as follows:

	For the three months ended March 31, 2025	2024
Total cash outflows from leases	\$ <u>7,590</u>	<u>6,284</u>

1. Leases of building and construction

The Group leases building and construction for office, factory and warehouses, usually for periods of one to ten years. Among these leases, some of the warehouses leased by the Group have a lease term of one year. The leases are short-term leases and the Group has elected to apply the exemption from recognition and not recognize the related right-of-use assets and lease liabilities.

2. Other leases

Some of the office equipment leased by the Group have a lease term of one year. The leases are short-term leases and the Group has elected to apply the exemption from recognition and not recognize the related right-of-use assets and lease liabilities.

12. Provision for liabilities - current

Provision for warranty liabilities:

	March 31, 2025	December 31, 2024	March 31, 2024
Provision for warranty	\$ <u>162</u>	<u>217</u>	<u>142</u>

The provision for warranty liabilities is estimated based on the historical warranty information of similar products.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

13. Employee benefits

(1) Defined benefit plans

As no significant market fluctuations, substantial reductions, settlements, or other major one-time events occurred after the reporting date of the previous year, the Group has adopted the pension cost measurement and disclosure based on the actuarial calculations as of December 31, 2024, and December 31, 2023, for the pension cost during the period.

Expenses recognized in profit or loss:

	For the three months ended March 31,	
	2025	2024
Operating costs	\$ -	6
Operating expenses	-	2
	<u>\$ -</u>	<u>8</u>

(2) Defined contribution plans

The pension expenses under the defined contribution plan for the merged company are as follows:

	For the three months ended March 31,	
	2025	2024
Operating costs	\$ 2,159	2,381
Operating expenses	1,654	1,541
	<u>\$ 3,813</u>	<u>3,922</u>

14. Income taxes

Income tax expense for the period is best estimated by multiplying pre-tax income of the interim period by a projected annual effective tax rate.

(1) The components of income tax expense were as follows:

	For the three months ended March 31,	
	2025	2024
Current income tax expense	<u>\$ 4,164</u>	<u>3,948</u>

(2) There was no income tax expense recognized directly in equity or other comprehensive income for the three months ended March 31, 2025 and 2024.

The Company's income tax return for the years through 2022 has been examined and approved by the R.O.C income tax authorities.

15. Capital and other equity

(1) Common stock

As of March 31, 2025, December 31, 2024, and March 31, 2024, the Company's authorized capital amounted to NT\$800,000 thousand, consisting of 80,000 thousand shares with a par value of NT\$10 per share. A total of 47,875 thousand shares had been issued. After deducting 1,000 thousand treasury shares, the number of outstanding shares was 46,875 thousand.

(2) Capital surplus

The balance of the Company's Capital surplus is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Premium on issuance of shares	\$ 635,713	666,183	666,183
Difference between actual acquisition of price and carrying amount of equity of subsidiaries	23,991	23,991	23,991
	<u>\$ 659,704</u>	<u>690,174</u>	<u>690,174</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

Under the Company Act, Capital surplus must be used to cover losses before new shares or cash can be issued based on the realized Capital surplus in proportion to the shareholders' original shares. The realized Capital surplus referred to in the preceding paragraph includes the proceeds from the issuance of shares in excess of par value and the proceeds from the receipt of gifts. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of Capital surplus that may be capitalized each year may not exceed 10% of the paid-in capital.

(3) Retained earnings

In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual final accounts, the Company shall first pay taxes to make up for prior years' deficits, and then set aside 10% of the legal reserve. After setting aside or reversing the special reserve as required by laws and regulations, the Board of Directors shall prepare an earnings distribution proposal and submit it to the shareholders' meeting for resolution if there are any earnings together with unappropriated earnings accumulated in previous years. If all or part of the dividends and bonuses payable are intended to be paid in cash, the Board of Directors is authorized to resolve and report to the shareholders' meeting.

The Company's dividend policy will depend on factors such as current and future development plans, investment environment, capital needs, domestic and foreign competition conditions, and capital budgets, while taking the interests of shareholders and the Company's long-term financial planning into account. The Board drafts a profit distribution proposal for the distributable earnings above; of which, the distribution of shareholders' dividend bonuses of each year should not be less than 10% of distributable earnings for the year; however, where the accumulated distributable earnings are less than 10% of the paid-in share capital, the distribution may be exempted; when distributing the shareholders' dividend bonuses, such may be distributed in the form of cash or shares, and the cash dividends shall not be less than 10% of the total dividends; provided that the actual distribution percentage shall be handled pursuant to the resolution of the shareholders' meeting.

(a) Legal reserve

If the Company has no deficit, it may issue new shares or cash from the legal reserve by resolution of the shareholders' meeting, provided that the amount of such reserve exceeds 25% of the paid-in capital. If the above is issued in cash, in accordance with the Company Act and the Company's Articles of Incorporation, the Board of Directors is authorized to resolve and report to the shareholders' meeting.

(b) Special reserve

In accordance with the requirements issued by the FSC, when the Company distributes distributable earnings, a special reserve in the same amount should be provided from current profit or loss and unappropriated earnings in prior periods for the net decrease in other shareholders' equity that occurred during the year; the special reserve in the same amount is not distributable from prior unappropriated earnings for the decrease in other shareholders' equity accumulated in prior periods. If there is a subsequent reversal in the amount of the reduction in other shareholders' equity, the reversed portion of the earnings may be distributed.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(4) Earnings distribution

On February 27, 2025 and February 27, 2024, the Board of Directors resolved the cash dividends of earnings distribution proposals for 2024 and 2023 as follows:

	2024		2023	
	Dividends per share (NT\$)	Amount	Dividends per share (NT\$)	Amount
Dividends distributed to ordinary shareholders:				
Cash dividends distributed to shareholders from				
Unappropriated earnings	\$ 1.85	<u>86,719</u>	3.60	<u>168,751</u>

On February 27, 2025, the Board of Directors resolved to distribute cash dividends of NT\$30,470 thousand from capital surplus, representing NT\$0.65 per share.

The above information is available on the website MOPS.

(5) Treasury stock

During the period from July to August 2022, the Company repurchased a total of 1,000 thousand shares of treasury stock in a total amount of NT\$85,925 thousand for the purpose of transferring shares to employees in accordance with Article 28-2 of the Securities and Exchange Act. As of March 31, 2025, December 31, 2024 and March 31, 2024, none of the shares had been transferred to employees or cancelled.

In accordance with the Securities and Exchange Act, treasury stock cannot be pledged and are not entitled to shareholders' rights until they are transferred. In addition, the percentage of number of shares repurchased by the Company shall not exceed 10% of the total number of shares issued by the Company. The total amount of shares repurchased shall not exceed the amount of retained earnings plus share premiums and realized Capital surplus.

(6) Other equity (net amount after tax)

	Exchange differences on translation of foreign operations	Unrealized valuation gains (losses) on financial assets at fair value through other comprehensive income	Total
January 1, 2025	\$ 879	(10,665)	(9,786)
Exchange differences arising from the translation of net assets of foreign operating institutions	1,409	-	1,409
Unrealized valuation loss on financial assets at fair value through other comprehensive income	-	(35,492)	(35,492)
Disposal of financial assets at fair value through other comprehensive income	-	(817)	(817)
December 31, 2025	<u>\$ 2,288</u>	<u>(46,974)</u>	<u>(44,686)</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

	Exchange differences on translation of foreign operations	Unrealized valuation gains (losses) on financial assets at fair value through other comprehensive income	Total
January 1, 2024	\$ (927)	63,427	62,500
Exchange differences arising from the translation of net assets of foreign operating institutions	526	-	526
Unrealized valuation gain on financial assets at fair value through other comprehensive income	-	7,024	7,024
March 31, 2024	<u><u>\$ (401)</u></u>	<u><u>70,451</u></u>	<u><u>70,050</u></u>

16. Earnings per share

(1) Basic earnings per share

	For the three months ended March 31,	
	2025	2024
Net income attributable to equity holders of the Company's ordinary shares	<u><u>\$ 23,600</u></u>	<u><u>25,089</u></u>
Weighted-average number of ordinary shares outstanding (in thousands)	<u><u>46,875</u></u>	<u><u>46,875</u></u>
Basic earnings per share (NT\$)	<u><u>\$ 0.50</u></u>	<u><u>0.54</u></u>

(2) Diluted earnings per share

	For the three months ended March 31,	
	2025	2024
Net income attributable to equity holders of the Company's ordinary shares	<u><u>\$ 23,600</u></u>	<u><u>25,089</u></u>
Weighted-average number of ordinary shares outstanding (basic) (in thousands)	46,875	46,875
Effect of dilutive potential ordinary shares (in thousands):		
Effect of employee compensation	163	213
Weighted-average number of ordinary shares outstanding (diluted) (in thousands)	<u><u>47,038</u></u>	<u><u>47,088</u></u>
Diluted earnings per share (NT\$)	<u><u>\$ 0.50</u></u>	<u><u>0.53</u></u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

17. Revenue from customer contracts

(1) Breakdown of revenue

	For the three months ended March 31,	
	2025	2024
Major regional markets:		
Taiwan	\$ 130,357	135,830
Mainland China	84,032	74,709
The U.S.	51,601	50,177
Others	57,573	43,918
	<u>\$ 323,563</u>	<u>304,634</u>
	For the three months ended March 31,	
	2025	2024
Major products and services:		
Electronic ceramic components	\$ 192,908	181,571
Module and system products	101,311	90,620
Other electronic parts and components	29,344	32,443
	<u>\$ 323,563</u>	<u>304,634</u>

(2) Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024
Notes and accounts receivable (including related parties)	\$ 272,686	264,936	290,118
Less: Allowance for losses	(1,350)	(1,381)	(2,652)
	<u>\$ 271,336</u>	<u>263,555</u>	<u>287,466</u>
	March 31, 2025	December 31, 2024	March 31, 2024
Contractual liabilities (included in other current liabilities)	<u>\$ 3,991</u>	<u>12,691</u>	<u>5,370</u>

Notes and accounts receivable (including related parties) and impairment loss are disclosed in Note 6(5).

The change in contract liabilities is mainly due to the difference between the point at which the Group transfers goods to customers to satisfy its contractual obligations and the point at which customers pay. The amounts of revenue recognized for the three months ended March 31, 2025 and 2024 that were included in the balances of contract liabilities on January 1, 2025 and 2024, were NT\$11,220 thousand and NT\$3,225 thousand, respectively.

18. Employees' and directors' remuneration

Pursuant to the Articles of Incorporation, where the Company makes profits in a year, 10% to 15% should be provided as employees' remuneration and no more than 3% should be provided as directors' remuneration. However, where the Company has accumulated losses, the amount for compensation shall be set aside first. The recipients of stock or cash distribution for employees' remuneration in the preceding paragraph, may include the employees of the controlling or subordinate companies meeting certain conditions. The conditions and distribution method shall be determined by the Board of Directors or its authorized designee.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

For the three months ended March 31, 2025, 2024, the Company estimated its remuneration to employees amounting to NT\$3,111 thousand and NT\$3,253 thousand; the remuneration to directors amounting to NT\$233 thousand and NT\$244 thousand, which are estimated by multiplying the Company's income before income tax for each period prior to the deduction of employee and director compensation by the percentage of employee and director compensation to be distributed by the Company. Such amounts are reported as operating costs or operating expenses for each period. If the actual distribution amount differs from the estimated amount, the difference is accounted for as a change in accounting estimate and recognized as profit or loss in the following year.

For the years ended December 31, 2024 and 2023, the estimated employee compensation was NT\$11,802 thousand and NT\$24,922 thousand, respectively, and the estimated director compensation was NT\$855 thousand and NT\$1,869 thousand, respectively. The amounts were consistent with the resolutions approved by the Board of Directors and were all paid in cash. Relevant information is disclosed on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange.

19. Non-operating income and expenses

(1) Interest income

		For the three months ended March 31,	
		2025	2024
Interest income from bank deposits	\$	<u>818</u>	<u>935</u>

(2) Other income

		For the three months ended March 31,	
		2025	2024
Gains on writing off overdue accounts payable	\$	426	-
Other income-others		<u>316</u>	<u>347</u>
	\$	<u>742</u>	<u>347</u>

(3) Other gains and losses

		For the three months ended March 31,	
		2025	2024
Net foreign currency exchange gains	\$	1,641	10,960
Net loss on financial instruments at fair value through profit or loss		(275)	(8,245)
Others		<u>(5)</u>	<u>(61)</u>
	\$	<u>1,361</u>	<u>2,654</u>

(4) Finance costs

		For the three months ended March 31,	
		2025	2024
Interest expenses on bank loans	\$	(388)	-
Interest expenses on lease liabilities		<u>(578)</u>	<u>(95)</u>
	\$	<u>(966)</u>	<u>(95)</u>

20. Financial instruments

Except as described below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For other relevant information, please refer to Notes 6(20) and (21) of the consolidated financial statements for the year ended December 31, 2024.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(1) Types of financial instruments

(a) Financial assets

	March 31, 2025	December 31, 2024	March 31, 2024
Mandatory financial assets at fair value through profit or loss - current:	\$ 287,598	276,323	255,414
Financial assets measured at amortized cost:			
Cash and cash equivalents	485,975	573,584	352,161
Notes and accounts receivable and other accounts receivable (including related parties)	271,431	263,555	287,466
Financial assets measured at amortized cost - current	159,730	159,730	215,600
Refundable deposits	8,177	6,895	4,504
Subtotal	925,313	1,003,764	859,731
Total	<u>\$ 1,212,911</u>	<u>1,280,087</u>	<u>1,115,145</u>

(b) Financial liabilities

	March 31, 2025	December 31, 2024	March 31, 2025
Financial liabilities at fair value through profit or loss	\$ 2,512	2,237	4,313
Financial liabilities measured at amortized cost:			
Short-term borrowings	-	23,018	-
Notes and accounts payable and other payables (including related parties)	279,349	328,396	224,344
Dividend payable	117,189	-	168,751
Lease liabilities (including current and non-current) (including related parties)	106,846	74,187	24,423
Subtotal	503,384	425,601	417,518
Total	<u>\$ 505,896</u>	<u>427,838</u>	<u>421,831</u>

(2) Liquidity risk

Liquidity risk is the risk that the consolidated entity will be unable to deliver cash or other financial assets to settle financial liabilities, thereby failing to meet its obligations. The consolidated entity regularly monitors current and expected medium- to long-term funding requirements and manages liquidity risk by maintaining adequate cash balances and available credit lines from financial institutions. As of March 31, 2025, December 31, 2024, and March 31, 2024, the unused credit lines amounted to NT\$920,000 thousand, NT\$869,982 thousand, and NT\$920,000 thousand, respectively.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

The table below presents the contractual maturities of financial liabilities, including the impact of estimated interest, and is prepared based on undiscounted cash flows.

	Contractual cash flow	Within one year	1 to 2 years	More than 2 years
March 31, 2025				
Non-derivative financial liabilities:				
Notes and accounts payable and other payables (including related parties)	\$ 279,349	279,349	-	-
Dividend payable	117,189	117,189	-	-
Lease liabilities (including current and non-current) (including related parties)	112,233	36,818	37,294	38,121
	<u>508,771</u>	<u>433,356</u>	<u>37,294</u>	<u>38,121</u>
Derivative financial instruments				
Forward foreign exchange contracts:				
Outflows	170,626	170,626	-	-
Inflows	(168,114)	(168,114)	-	-
	<u>2,512</u>	<u>2,512</u>	<u>-</u>	<u>-</u>
	<u>\$ 511,283</u>	<u>438,868</u>	<u>37,294</u>	<u>38,121</u>
December 31, 2024				
Non-derivative financial liabilities:				
Short-term borrowings	\$ 23,516	23,516	-	-
Notes and accounts payable and other payables (including related parties)	328,396	328,396	-	-
Lease liabilities (including current and non-current)	77,980	29,649	29,254	19,077
	<u>429,892</u>	<u>381,561</u>	<u>29,254</u>	<u>19,077</u>
Derivative financial instruments				
Forward foreign exchange contracts:				
Outflows	136,512	136,512	-	-
Inflows	(134,275)	(134,275)	-	-
	<u>2,237</u>	<u>2,237</u>	<u>-</u>	<u>-</u>
	<u>\$ 432,129</u>	<u>383,798</u>	<u>29,254</u>	<u>19,077</u>
March 31, 2024				
Non-derivative financial liabilities:				
Notes and accounts payable and other payables (including related parties)	\$ 224,344	224,344	-	-
Dividend payable	168,751	168,751	-	-
Lease liabilities (including current and non-current) (including related parties)	24,905	9,166	7,882	7,857
	<u>418,000</u>	<u>402,261</u>	<u>7,882</u>	<u>7,857</u>
Derivative financial instruments				
Forward foreign exchange contracts:				
Outflows	177,830	177,830	-	-
Inflows	(173,517)	(173,517)	-	-
	<u>4,313</u>	<u>4,313</u>	<u>-</u>	<u>-</u>
	<u>\$ 422,313</u>	<u>406,574</u>	<u>7,882</u>	<u>7,857</u>

The Group does not anticipate that the timing of the cash flows for the maturity analysis will be significantly earlier or that the actual amounts will be significantly different.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(3) Exchange rate risk

(a) Exposure to exchange rate risk

The Group's exchange rate risk arises mainly from cash and cash equivalents, accounts receivable (payable) (including related parties), other payables (including related parties) and bank loans that are not denominated in functional currencies, which result in foreign currency exchange gains or losses upon translation. The carrying amounts of monetary assets and liabilities that are not denominated in functional currencies at the reporting date (including monetary items eliminated in the consolidated financial statements that are not denominated in functional currency) and the related sensitivity analysis are as follows:

March 31, 2025						
	Foreign currency	Exchange rate	NT\$	Change in exchange rate	Impact of profit or loss (before tax)	
<u>Financial assets</u>						
<u>Monetary items</u>						
US\$	\$	8,036	33.205	266,835	1%	2,668
RMB		10,645	4.5787	48,740	1%	487
<u>Financial liabilities</u>						
<u>Monetary items</u>						
US\$		527	33.205	17,499	1%	175
RMB		128	4.5787	586	1%	6

December 31, 2024						
	Foreign currency	Exchange rate	NT\$	Change in exchange rate	Impact of profit or loss (before tax)	
<u>Financial assets</u>						
<u>Monetary items</u>						
US\$	\$	8,324	32.785	272,902	1%	2,729
RMB		9,574	4.4915	43,002	1%	430
<u>Financial liabilities</u>						
<u>Monetary items</u>						
US\$		1,231	32.785	40,358	1%	404
RMB		137	4.4915	615	1%	6

March 31, 2024						
	Foreign currency	Exchange rate	NT\$	Change in exchange rate	Impact of profit or loss (before tax)	
<u>Financial assets</u>						
<u>Monetary items</u>						
US\$	\$	8,869	32.000	283,808	1%	2,838
RMB		7,598	4.4296	33,656	1%	337
<u>Financial liabilities</u>						
<u>Monetary items</u>						
US\$		449	32.000	14,368	1%	144
RMB		132	4.4296	585	1%	6

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(b) Exchange gains and losses on monetary items

Information on unrealized exchange gains and losses on monetary items is as follows:

	March 31, 2025			March 31, 2024		
	Unrealized exchange profits (losses)			Unrealized exchange profits (losses)		
		Exchange rate			Exchange rate	
<u>Financial assets</u>						
US\$:NT\$	\$	4,260	33.205	4,268	32.000	
RMB:NT\$		1,116	4.5787	444	4.4296	
<u>Financial liabilities</u>						
US\$:NT\$		(304)	33.205	(320)	32.000	
RMB:NT\$		(7)	4.5787	(4)	4.4296	

(4) Information on fair value

(a) Financial instruments not measured at fair value

The Group's management believes that the carrying amounts of the Group's financial assets and financial liabilities classified as measured at amortized cost in the consolidated financial reports approximate their fair values.

(b) Financial instruments measured at fair value

Financial instruments held by the Group at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured at fair value on a recurring basis. The following table provides an analysis of financial instruments measured at fair value after initial recognition and is categorized into Levels 1 to 3 based on the degree of observability of the fair value. Each fair value hierarchy is defined as follows:

- A. Level 1: Publicly quoted prices (unadjusted) for identical assets or liabilities in active markets.
- B. Level 2: Inputs to the asset or liability that are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices), other than those included in Level 1 publicly available quotations.
- C. Level 3: Inputs to the asset or liability that are not based on observable market data (unobservable parameters).

	March 31, 2025				
	Fair value				
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income - current:					
Domestic listed company shares	\$ 287,598	287,598	-	-	287,598
Financial liabilities at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 2,512	-	2,512	-	2,512

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

	December 31, 2024				
	Carrying amounts	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income - current:					
Domestic listed company shares	\$ 276,323	276,323	-	-	276,323
Financial liabilities at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 2,237	-	2,237	-	2,237
	March 31, 2024				
	Carrying amounts	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income - current:					
Domestic listed company shares	\$ 255,414	255,414	-	-	255,414
Financial liabilities at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 4,313	-	4,313	-	4,313

(c) Fair value measurement techniques used in measuring financial instruments at fair value

The estimates and assumptions used in estimating the fair value of derivative financial instruments approximate those used by market participants in pricing financial instruments, and such information is available to the Group. The fair value of forward foreign exchange contracts is generally based on current forward exchange rates.

The fair value of listed stocks with standard terms and conditions and traded in an active market is determined by reference to quoted market prices.

(d) Transfer between fair value hierarchy

For the three months ended March 31, 2025 and 2024, there were no transfers of financial assets or liabilities between levels of the fair value hierarchy.

21. Financial risk management

Both the goals and policies of the Group's financial risk management were not materially different from those disclosed in Note 6(21) of the consolidated financial statements for the year ended December 31, 2024.

22. Capital Management

There is no significant change in the goals and policies of Group's capital management from Note 6 (22) of the consolidated financial statements for the year ended December 31, 2024.

23. Investment and fund-raising activities for non-cash transactions

- (1) For the Group's acquisition of right-of-use asset through leases, please refer to Note 6(8) for details

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(2) The reconciliation of liabilities from financing activities is as follows:

	January 1, 2025	Cash flow	Changes in non-cash		March 31, 2025
			Increase in lease liabilities	Change in exchange rate	
Short-term borrowings	\$ 23,018	(23,018)	-	-	-
Lease liabilities (including related parties)	74,187	(6,809)	39,169	299	106,846
Total liabilities from financing activities	<u>\$ 97,205</u>	<u>(29,827)</u>	<u>39,169</u>	<u>299</u>	<u>106,846</u>

	January 1, 2024	Cash flow	Changes in non-cash		March 31, 2024
			Increase in lease liabilities	Change in exchange rate	
Lease liabilities (including related parties) (liabilities from financing activities)	<u>\$ 29,880</u>	<u>(5,619)</u>	<u>-</u>	<u>162</u>	<u>24,423</u>

(3) Investing activities with only partial cash payments:

	For the three months ended March 31,	
	2025	2024
Acquisition of property, plant and equipment	\$ 8,182	6,488
Add: Payable for equipment at the beginning of the period	6,976	2,216
Less: Payable for equipment at the end of the period	(1,866)	(3,840)
Add: Prepayments for equipment at the beginning of the period	39,480	19,095
Less: Prepayments for equipment at the beginning of the period	(39,500)	(12,836)
Add: Reclassified from prepaid equipment	4,427	2,901
Cash paid during the period	<u>\$ 17,699</u>	<u>14,024</u>

(VII) Related party transactions

1. Parent company and ultimate controlling party

Darfon Electronics Corp. is the parent company of the Company and the ultimate controlling party of the group to which it belongs. It directly and indirectly owns 46.75% of the outstanding ordinary shares of the Company and has prepared consolidated financial statements for public use.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

2. Names and relationships of related parties

The related parties with whom the Group had transactions during the period covered by the consolidated financial reports are as follows:

Name of related parties	Relationship with the Group
Darfon Electronics Corp (Darfon)	The Group's parent company
Suzhou Darfon Electronics Corp (DFS)	A subsidiary of Darfon
Chongqing Darfon Electronics Corp (DFQ)	A subsidiary of Darfon
Darfon Vietnam Co., Ltd.(DFV)	A subsidiary of Darfon
Qisda Corporation (Qisda)	An individual who has significant influence on Darfon
Hitron Technologies (Hitron)	A subsidiary of Qisda
Alpha Networks Inc. (Alpha Networks)	A subsidiary of Qisda
Metaage Corporation (MTG)	A subsidiary of Qisda
BenQ Asia Pacific Corp (BQP)	A subsidiary of Qisda
Alpha Networks (Hong Kong) Limited (Alpha HK)	A subsidiary of Qisda

3. Significant transactions with related parties

(1) Net revenue

The significant amounts of sales to related parties are as follows:

	For the three months ended March 31,	
	2025	2024
Parent company	\$ 10	-
Other related parties	7,700	14,112
	\$ 7,710	14,112

The terms of the Group's sales to related parties are not significantly different from those of general sales. The credit period is 90 to 120 days on a monthly basis.

(2) Purchase

The amounts of the Group's purchases from related parties are as follows:

	For the three months ended March 31,	
	2025	2024
Parent company	\$ 121	29

The prices of the Group's purchases from the above related parties are not significantly different from the normal purchase prices; the payment terms are 90 days on a monthly basis, which are not significantly different from normal transactions.

(3) Leases

The Group leases its plant from its parent company Darfon at a rent that is based on the rental rate in the neighboring areas and is paid monthly. The Group recognized interest expense of NT\$35 thousand and NT\$49 thousand for the three months ended March 31, 2025 and 2024, and had a lease liability of NT\$10,773 thousand, NT\$11,952 thousand and NT\$15,468 thousand on March 31, 2025, December 31, 2024 and March 31, 2024.

The Group leases its plant from its other related party DFV at a rent that is based on the rental rate in the neighboring areas and is paid monthly. In May 2024, the Group entered into a lease agreement with DFV and recognized a right-of-use asset and a lease liability of NT\$18,973 thousand. The Group recognized interest expense on lease liabilities of NT\$269 thousand for the period from January 1 to March 31, 2025. As of March 31, 2025 and December 31, 2024, the lease liabilities amounted to NT\$16,561 thousand and NT\$17,144 thousand, respectively.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(4) Operating costs and operating expenses

The Group incurred operating costs and operating expenses for miscellaneous purchases from related parties, inspection and testing, and apportionment of utilities, etc. as follows:

Item	Type of related parties	For the three months ended March 31,	
		2025	2024
Operating costs	Parent company	\$ 1,937	1,752
Operating costs	Other related parties	115	-
Operating expenses	Parent company	3,155	2,232
Operating expenses	Other related parties	194	10
		<u>\$ 5,401</u>	<u>3,994</u>

(5) Amounts due from related parties

The Group's receivables from related parties are summarized as follows:

Item	Type of related parties	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable - related parties	Parent company	\$ 14	4	7
Accounts receivable - related parties	Other related parties	11,705	14,373	15,105
Other Accounts receivable - related parties	Parent company	95	-	-
		<u>\$ 11,814</u>	<u>14,377</u>	<u>15,112</u>

(6) Amounts due to related parties

The Group's payables to related parties are summarized as follows:

Item	Type of related parties	March 31, 2025	December 31, 2024	March 31, 2024
Accounts payable - related parties	Parent company	\$ 154	49	30
Other payables - related parties	Parent company	7,407	5,744	5,672
Other payables - related parties	Other related parties	63	778	-
		<u>\$ 7,624</u>	<u>6,571</u>	<u>5,702</u>

4. Key management compensation

	For the three months ended March 31,	
	2025	2024
Short-term employee benefits	\$ 8,952	11,918
Post-employment benefits	54	79
	<u>\$ 9,006</u>	<u>11,997</u>

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

(VIII) Pledged assets

The carrying amounts of the assets pledged by the Group are as follows:

Name of assets	Subject of pledge	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits (included in financial assets measured at amortized cost - current)	Performance Guarantees	\$ 14,130	14,130	-
Time deposits (included in financial assets measured at amortized cost - current)	Corporate credit card deposits	600	600	600
		<u>\$ 14,730</u>	<u>14,730</u>	<u>600</u>

(IX) Significant contingent liabilities and unrecognized contractual commitments: None.

(X) Significant catastrophic losses: None.

(XI) Significant subsequent events: None.

(XII) Others

- Employee benefits, depreciation and amortization expenses by function are summarized as follows:

By function By nature	For the three months ended March 31,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expenses						
Salary expenses	60,653	41,891	102,544	41,603	36,612	78,215
Labor and health insurance expenses	5,863	4,501	10,364	6,012	4,606	10,618
Pension expenses	2,159	1,654	3,813	2,387	1,543	3,930
Other employee benefit expenses	3,889	1,680	5,569	3,699	1,404	5,103
Depreciation expenses	20,646	5,430	26,076	24,620	7,083	31,703
Amortization expenses	1	2,119	2,120	128	867	995

- The Group's operations are not materially influenced by seasonality or cyclicity.

(XIII) Notes disclosures

- Relevant information on significant transactions

The Group's information on significant transactions required to be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the three months ended March 31, 2025 is as follows:

- (1) Lending of funds to others: None.
- (2) Endorsement and guarantee for others: None.
- (3) Securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures):

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

Unit: thousand shares

Companies held	Type and name of securities	Relationship with the issuer of securities	Accounting subjects	End of period				Remarks
				No. of shares	Carrying amounts	Shareholding ratio	Fair value	
The Company	Qisda shares	Significant influence on the Group's parent company	Financial assets at fair value through other comprehensive income - current:	1,366	39,682	0.07%	39,682	-
The Company	Darfon shares	The Group's parent company	Financial assets at fair value through other comprehensive income - current:	4,000	158,600	1.43%	158,600	-
The Company	Quanta shares	-	Financial assets at fair value through other comprehensive income - current:	370	83,065	0.01%	83,065	-

- (4) Purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
- (5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
- (6) Business relationships and significant transactions between parent company and subsidiaries:

No. (Note 1)	Name of counterparties	Transaction targets	Relationship with counterparties (Note 2)	Transactions (Note 3)			
				Subject	Amount	Transaction terms	As a percentage of consolidated total operating revenues or total assets (Note 4)
0	The Company	Unictron (Shenzhen)	1	Sales	6,042	150-day monthly settlement	1.87%
0	The Company	Unictron (Shenzhen)	1	Accounts receivable	18,785	150-day monthly settlement	0.94%

Note 1: The numbering method is as follows:

- 1.0 represents the parent company.
2. Subsidiaries are numbered according to the company, starting with the number 1.

Note 2: The type of relationships with the counterparties is as follows:

1. Parent company to a subsidiary.
2. A subsidiary to parent company.
3. A subsidiary to a subsidiary.

Note 3: The business relationships and significant transactions between the parent and subsidiary are disclosed only for sales and accounts receivable, and the corresponding purchase and accounts payable are not further described.

Note 4: The amount of the transaction is divided by the consolidated operating revenue or consolidated total assets.

Note 5: Written off in the preparation of the consolidated financial statements.

Notes to consolidated financial reports of Unictron Technologies Corporation and Subsidiaries (continued)

2. Relevant information on re-investees

Information on the Company's re-investees for the three months ended March 31, 2025 is as follows (excluding the investees in Mainland China):

Unit: thousand shares

Name of investor companies	Name of investees	Location	Main businesses	Original investment amount		Holding at the end of the period			Current Profit or loss of the investees	Investment profit or loss recognized during the period	Remarks
				End of the period	End of last year	No. of shares	percentage	Carrying amounts			
The Company	Unicom Technologies, Inc.	Mauritius	Investment holdings	47,321 (USD1,535)	47,321 (USD1,535)	1,535	100.00%	25,602	481	481	Subsidiary of the Company
The Company	Unictron Technologies Vietnam Co., Ltd. (UTV)	Vietnam	Manufacturing and sales of antennas for wireless communications	80,908 (USD2,500)	80,908 (USD2,500)	(Note 1)	100.00%	73,872	(2,618)	(2,618)	Subsidiary of the Company

Note 1: As the company is a limited liability company, no share information is applicable.

3. Information on investment in Mainland China:

(1) Name of the investee company in Mainland China, main businesses and other related information:

Name of investees in Mainland China	Main businesses Item	Paid-up capital	Investment method	Cumulative investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered during the period		Cumulative investment amount emitted from Taiwan at the end of the period	Investees Profit or loss for the period	Percentage of the Company's direct or indirect investment	Investment (loss) profit recognized during the period	Carrying value of investments at the end of the period	Investment income remitted or recovered as of the end of the period
					Remitted	Recovered						
Unictron Technologies Corporation (Shenzhen) Co., Ltd.	Design and marketing of antenna and modules for wireless communication	48,878 (USD1,472)	(Note 1)	48,878 (USD1,472)	-	-	48,878 (USD1,472)	500	100.00 %	500 (Note 2)	25,146	-

Note 1: Company established through third-party investments and reinvested in Mainland China.

Note 2: Recognized based on the financial statements of the investee company reviewed by the parent company's accountants in Taiwan.

Note 3: The above amounts in NT\$ were translated into NT\$ at the closing exchange rate of 33.205 on March 31, 2025.

(2) Investment limit in Mainland China:

Company name	Cumulative amount of investment remitted from Taiwan to Mainland China at the end of the period	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	Investment limit in Mainland China in accordance with the regulations of the Investment Commission, Ministry of Economic Affairs
The Company	48,878 (USD1,472)	48,878 (USD1,472)	877,689

(3) Significant transactions with Mainland China investees:

Name of related parties	Relationship between the Company and its related parties	Transaction terms					Notes and accounts receivable (payable)		Unrealized loss (profit)
		Type	Amount	Price	Payment terms	Comparison with general transactions	Balance	Percentage	
Unictron Technologies Corporation (Shenzhen) Co., Ltd.	Subsidiary indirectly controlled by the Company	Sales	6,042	Price negotiated between both parties	150-day monthly settlement	(Note 1)	18,785	6.96%	459

(Note 1): The prices of the Company's sales to the related parties are not significantly different from the normal sales prices, except for some products with different specifications, which are not comparable to the normal transaction prices.

(XIV) Department information

The Group is principally engaged in the manufacture and sale of electronic ceramic components, modules and system products and other electronic parts and components. The Group's operating decision-makers are based on overall operating results as the basis for evaluating performance therefore the combined company is a single department. The operating department information are the same as those disclosed of the consolidated financial statements for the three months ended March 31, 2025 and 2024.