

Stock code: 6792

**Unictron Technologies Corporation
and Subsidiaries
Consolidated Financial Statements With
Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024**

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

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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 September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three and nine months ended September 30, 2025 and 2024, the consolidated statement of changes in equity and cash flows for the nine months ended September 30, 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 September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three and nine months ended September 30, 2025 and 2024, the consolidated statement of changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" 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)
November 3, 2025

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

Unictron Technologies Corporation and Subsidiaries

Consolidated Balance Sheets

September 30, 2025, December 31, 2024 and September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets	September 30, 2025		December 31, 2024		September 30, 2024		
	Amount	%	Amount	%	Amount	%	
Current assets:							
1100	Cash and cash equivalents (Note 6(1))	\$ 705,685	36	573,584	28	524,417	27
1110	Financial assets at fair value through profit or loss—current (Note 6(2))	23	-	-	-	1,832	-
1120	Financial assets at fair value through other comprehensive income—current (Note 6(3))	261,277	13	276,323	13	216,565	11
1136	Financial assets at amortized cost—current (Notes 6(4) and 8)	14,730	1	159,730	8	14,730	1
1170	Notes and accounts receivable, net (Notes 6(5) and (18))	273,819	14	249,178	12	244,781	12
1180	Accounts receivable from related parties (Notes 6(5)、(18) and 7)	9,230	-	14,377	1	14,809	1
1220	Current tax assets	9,984	1	15,766	1	-	-
1310	Inventories (Note 6(6))	247,463	12	266,859	13	264,405	13
1410	Prepayments and other current assets	5,874	-	10,791	-	21,950	1
1460	Non-current assets held for sale (note 6(7))	-	-	-	-	186,321	10
	Total current assets	<u>1,528,085</u>	<u>77</u>	<u>1,566,608</u>	<u>76</u>	<u>1,489,810</u>	<u>76</u>
Non-current assets:							
1600	Property, plant and equipment (Note 6(8))	303,915	15	314,083	15	309,265	16
1755	Right-of-use assets (Notes 6(9) and 7)	85,507	4	73,552	4	79,731	4
1780	Intangible assets (Note 6(10))	12,120	1	18,092	1	10,877	1
1840	Deferred income tax assets	35,083	2	29,867	2	25,810	1
1915	Prepayments for equipment	13,456	1	39,500	2	41,553	2
1920	Refundable deposits	8,113	-	6,895	-	6,776	-
1975	Net Defined Benefit Asset- non-current	397	-	-	-	-	-
	Total non-current assets	<u>458,591</u>	<u>23</u>	<u>481,989</u>	<u>24</u>	<u>474,012</u>	<u>24</u>
	Total assets	<u>\$ 1,986,676</u>	<u>100</u>	<u>2,048,597</u>	<u>100</u>	<u>1,963,822</u>	<u>100</u>

(Continued)

See accompanying notes to consolidated financial statements.

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

Unictron Technologies Corporation and Subsidiaries

Consolidated Balance Sheets (continued)

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		
	Amount	%	Amount	%	Amount	%	
Liabilities and Equity							
Current liabilities:							
2100	Short-term borrowings (Note 6(11))	\$ -	-	23,018	1	22,275	1
2120	Financial liabilities at fair value through profit or loss - current(Note 6(2))	3,364	-	2,237	-	-	-
2170	Notes and accounts payable	144,721	7	126,633	6	115,717	6
2180	Accounts payable - related parties (Note 7)	576	-	49	-	152	-
2219	Other payables (Note 6(19))	185,532	9	201,892	10	137,493	7
2220	Other payables - related parties (Note 7)	7,150	-	6,522	-	7,395	-
2250	Provision for liabilities - current (Note 6(13))	270	-	217	-	249	-
2281	Lease liabilities-current (Note 6(12))	27,976	2	19,766	1	19,419	1
2282	Lease liabilities - related parties - current (Notes 6(12) and 7)	8,122	1	8,073	1	7,862	-
2300	Other current liabilities (Note 6(18))	<u>14,397</u>	<u>1</u>	<u>21,798</u>	<u>1</u>	<u>11,531</u>	<u>1</u>
	Total current liabilities	<u>392,108</u>	<u>20</u>	<u>410,205</u>	<u>20</u>	<u>322,093</u>	<u>16</u>
Non-current liabilities:							
2570	Deferred Tax Liabilities	1,669	-	1,187	-	1,079	-
2581	Lease liabilities non-current (Note 6(12))	39,192	2	25,325	1	30,105	2
2582	Lease liabilities - related parties - non-current (Notes 6(12) and 7)	13,909	1	21,023	1	22,570	1
2640	Net defined benefit liabilities - non-current	-	-	370	-	2,350	-
2670	Other non-current liabilities	<u>958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total non-current liabilities	<u>55,728</u>	<u>3</u>	<u>47,905</u>	<u>2</u>	<u>56,104</u>	<u>3</u>
	Total liabilities	<u>447,836</u>	<u>23</u>	<u>458,110</u>	<u>22</u>	<u>378,197</u>	<u>19</u>
Equity (Notes 6(3) and (16))							
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>35</u>
Retained earnings:							
3310	Legal reserve	175,411	9	164,693	8	164,693	9
3320	Special reserve	9,786	-	-	-	-	-
3350	Unappropriated earnings	<u>337,835</u>	<u>17</u>	<u>352,578</u>	<u>17</u>	<u>314,980</u>	<u>16</u>
		<u>523,032</u>	<u>26</u>	<u>517,271</u>	<u>25</u>	<u>479,673</u>	<u>25</u>
Other equity:							
3410	Exchange differences on translation of foreign operations	(5,722)	-	879	-	(1,714)	-
3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	<u>(31,002)</u>	<u>(2)</u>	<u>(10,665)</u>	<u>-</u>	<u>24,664</u>	<u>1</u>
		<u>(36,724)</u>	<u>(2)</u>	<u>(9,786)</u>	<u>-</u>	<u>22,950</u>	<u>1</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>1,538,840</u>	<u>77</u>	<u>1,590,487</u>	<u>78</u>	<u>1,585,625</u>	<u>81</u>
	Total liabilities and equity	<u>\$ 1,986,676</u>	<u>100</u>	<u>2,048,597</u>	<u>100</u>	<u>1,963,822</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 and Nine Months Ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	Three Months Ended September 30				Nine Months Ended September 30				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Net revenue (Notes 6(18), 7 and 14)	\$ 350,040	100	327,094	100	1,024,917	100	939,978	100
5000	Operating costs (Notes 6(6), (8), (9), (10), (12), (14) (19), 7 and 12)	(239,233)	(68)	(231,516)	(71)	(692,962)	(68)	(663,797)	(71)
	Gross profit	110,807	32	95,578	29	331,955	32	276,181	29
	Operating expenses (Notes 6(5), (8), (9), (10), (12), (14), (19), 7 and 12):								
6100	Marketing expenses	(14,097)	(4)	(14,592)	(4)	(39,132)	(4)	(39,180)	(4)
6200	Administrative expenses	(29,112)	(8)	(30,881)	(9)	(79,755)	(7)	(83,957)	(9)
6300	Research and development expenses	(36,090)	(11)	(38,866)	(12)	(102,183)	(10)	(98,383)	(10)
6450	Expected credit (impairment loss) reversal benefit	(921)	-	222	-	(393)	-	3,369	-
6000	Total operating expenses	(80,220)	(23)	(84,117)	(25)	(221,463)	(21)	(218,151)	(23)
	Operating income	30,587	9	11,461	4	110,492	11	58,030	6
	Non-operating income and expenses (Notes 6(12), (20) and 7):								
7100	Interest income	604	-	406	-	3,327	-	3,046	-
7010	Other income	14,976	4	17,850	5	15,978	1	18,528	2
7020	Other gains and losses	3,133	1	(11,874)	(4)	(14,301)	(1)	(8,525)	(1)
7050	Finance costs	(596)	-	(777)	-	(2,218)	-	(1,368)	-
	Total non-operating income and expenses	18,117	5	5,605	1	2,786	-	11,681	1
	Income before income tax	48,704	14	17,066	5	113,278	11	69,711	7
7950	Less: Income tax expenses (Note 6(15))	(11,805)	(3)	(1,273)	-	(24,878)	(2)	(6,909)	-
	Net income	36,899	11	15,793	5	88,400	9	62,802	7
	Other comprehensive income (Note 6(16)):								
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	28,896	8	(47,209)	(14)	(16,257)	(2)	(31,983)	(4)
8349	Income taxes related to items that may not be reclassified	-	-	-	-	-	-	-	-
		28,896	8	(47,209)	(14)	(16,257)	(2)	(31,983)	(4)
8360	Items that may be subsequently reclassified to profit or loss								
8361	Exchange differences on translation of foreign operations	3,316	1	(1,723)	(1)	(6,601)	(1)	(787)	-
8399	Income taxes related to items that may be reclassified	-	-	-	-	-	-	-	-
		3,316	1	(1,723)	(1)	(6,601)	(1)	(787)	-
	Other comprehensive income of the period	32,212	9	(48,932)	(15)	(22,858)	(3)	(32,770)	(4)
	Total comprehensive income of the period	\$ 69,111	20	(33,139)	(10)	65,542	6	30,032	3
	Earnings per share (Unit: NT\$, Note 6(17))								
9750	Basic earnings per share	\$ 0.79		0.34		1.89		1.34	
9850	Diluted earnings per share	\$ 0.78		0.34		1.88		1.33	

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 nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributed to owners of parent										
	Retained earnings						Other equity items				
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings		Exchange differences on translation of foreign operations	Unrealized gains (losses) on financial assets at fair value through other comprehensive income		Treasury stock	Total equity
					Total	Total		Total	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	-	-	-	-	62,802	62,802	-	-	-	-	62,802
Other comprehensive income of the period	-	-	-	-	-	-	(787)	(31,983)	(32,770)	-	(32,770)
Total comprehensive income of the period	-	-	-	-	62,802	62,802	(787)	(31,983)	(32,770)	-	30,032
Appropriation and distribution of earnings:											
Legal reserve	-	-	19,620	-	(19,620)	-	-	-	-	-	-
Special reserve	-	-	-	(10,001)	10,001	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(168,751)	(168,751)	-	-	-	-	(168,751)
Disposal of financial Assets at fair value through other comprehensive income	-	-	-	-	6,780	6,780	-	(6,780)	(6,780)	-	-
Balance of September 30, 2024	\$ 478,753	690,174	164,693	-	314,980	479,673	(1,714)	24,664	22,950	(85,925)	1,585,625
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	-	-	-	-	88,400	88,400	-	-	-	-	88,400
Other comprehensive income of the period	-	-	-	-	-	-	(6,601)	(16,257)	(22,858)	-	(22,858)
Total comprehensive income of the period	-	-	-	-	88,400	88,400	(6,601)	(16,257)	(22,858)	-	65,542
Appropriation and distribution of earnings:											
Legal reserve	-	-	10,718	-	(10,718)	-	-	-	-	-	-
Special reserve	-	-	-	9,786	(9,786)	-	-	-	-	-	-
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	-	-	-	-	4,080	4,080	-	(4,080)	(4,080)	-	-
Balance of September 30, 2025	\$ 478,753	659,704	175,411	9,786	337,835	523,032	(5,722)	(31,002)	(36,724)	(85,925)	1,538,840

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 nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Nine Months Ended September 30,	
	2025	2024
Cash flows from operating activities:		
Income before income tax	\$ 113,278	69,711
Adjustments for:		
Income and expenses items		
Depreciation expenses	91,457	95,253
Amortization expenses	5,966	4,203
Expected credit impairment losses (reversal gain)	393	(3,369)
Interest expenses	2,218	1,368
Interest income	(3,327)	(3,046)
Dividend income	(14,725)	(17,452)
Total income and expenses items	81,982	76,957
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	(23)	2,113
Notes and accounts receivable	(25,034)	23,688
Accounts receivable - related parties	5,147	(6,695)
Inventories	19,396	64,598
Net defined benefit asset	(397)	-
Prepayments and other current assets	4,949	(4,997)
Total net changes in assets related to operating activities	4,038	78,707
Net changes in liabilities related to operating activities:		
Financial liabilities at fair value through profit or loss	1,127	(13)
Notes and accounts payable	18,088	8,084
Accounts payable - related parties	527	135
Other payables	(25,341)	(55,037)
Other payables - related parties	628	1,389
Provision for liabilities	53	67
Other current liabilities	(7,401)	917
Net defined benefit liabilities	(370)	(588)
Total net changes in liabilities related to operating activities	(12,689)	(45,046)
Total net changes in assets and liabilities related to operating activities	(8,651)	33,661
Total adjustments	73,331	110,618
Cash inflows from operations	186,609	180,329
Interest received	3,295	3,079
Interest paid	(2,331)	(1,280)
Income taxes paid	(9,533)	(26,293)
Net cash inflows from operating activities	178,040	155,835

(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 nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Nine Months Ended September 30,	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(94,916)	(95,511)
Disposal of financial assets at fair value through other comprehensive income	93,704	95,353
Acquisition of financial assets measured at amortized cost	145,000	200,870
Acquisition of property, plant and equipment (including prepayments for equipment)	(34,989)	(55,922)
Acquisition of intangible assets	-	(8,753)
Increase in refundable deposits	(1,218)	(1,571)
Dividends received	14,725	17,452
Net cash inflows from investing activities	122,306	151,918
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(23,018)	22,275
Principal repayment of leases	(22,757)	(18,634)
Distribution of cash dividends	(117,189)	(168,751)
Net cash outflows from financing activities	(162,964)	(165,110)
Effect of changes in exchange rates	(5,281)	(782)
Increase in cash and cash equivalents of the period	132,101	141,861
Balance of cash and cash equivalents at beginning of period	573,584	382,556
Balance of cash and cash equivalents at end of period	\$ 705,685	524,417

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Unictron Technologies Corporation and Subsidiaries
Notes to Consolidated Financial Statements
For the nine Months Ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(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 November 3, 2025.

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

1. The impact of the International Financial Reporting Standards ("IFRS") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025.

- Amendments to IFRS21 "Lack of Exchangeability "

2. The impact if IFRS recognized by the FSC but not yet effective

The evaluation of the Group shall be subject to the newly revised IFRS, which comes into effect on January 1, 2026, will not have a significant impact on the consolidated financial report.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- IFRS 9 and amendments to IFRS 7 "Financial Instruments: Classification and Measurement Amendments"
- Annual improvements to IFRS
- IFRS 9 and amendments to IFRS 7 "Contracts Involving Renewable Energy"

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:

<u>Newly released or revised standards</u>	<u>Main revisions</u>	<u>Effective date issued by the Board of Directors</u>
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 Note: On September 25, 2025, the Financial Supervisory Commission (FSC) of the Republic of China issued a press release announcing that the country will adopt International Financial Reporting Standard 18 (IFRS 18) beginning in the fiscal year 2028. If the Company chooses to apply the standard early, it may do so upon approval by the FSC.

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 (MPMs): 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. 	

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 by the FSC 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 19 "Subsidiaries without Public Accountability: Disclosure" and amendments to IFRS 19

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.

2. Basis of consolidation

(1) Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements include:

Name of investor companies	Name of subsidiaries	Business nature	Percentage of shareholding			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Unicom Technologies, Inc. (UTI)	Investment holdings	100.00%	100.00%	100.00%	-
UTI	Unictron Technologies (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%	100.00%	-

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

3. Non-current assets held for sale

Non-current assets or disposal groups consisting of assets and liabilities are classified as held for sale when it is highly probable that their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Prior to the initial classification as held for sale, the components of the asset or disposal group are measured in accordance with the Group's accounting policies. Subsequent to classification as held for sale, the assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses recognized upon initial classification as held for sale and subsequent gains or losses arising from remeasurement are recognized in profit or loss, provided that the gain does not exceed the cumulative impairment loss previously recognized. When intangible assets and property, plant, and equipment are classified as held for sale, they are no longer depreciated or amortized.

4. 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.

5. 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.

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

(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.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and working capital	\$ 467	533	433
Demand deposits and checking deposits	480,461	513,872	464,943
Time deposits with original maturities of less than three months	224,757	59,179	59,041
	\$ 705,685	573,584	524,417

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

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through profit or loss - current:			
Forward foreign exchange contracts	\$ 23	-	1,832
	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities at fair value through profit or loss - current:			
Forward foreign exchange contracts	\$ 3,364	2,237	-

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

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

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:

September 30, 2025			
	Contract amount (in thousands)	Currency	Maturity period
Forward foreign exchange contracts	US\$ <u>5,365</u>	Buy NT\$ / Sell US\$	October 3, 2025~ March 4, 2026
December 31, 2024			
	Contract amount (in thousands)	Currency	Maturity period
Forward foreign exchange contracts	US\$ <u>4,181</u>	Buy NT\$ / Sell US\$	January 6, 2025~May 20, 2025
September 30, 2024			
	Contract amount (in thousands)	Currency	Maturity period
Forward foreign exchange contracts	US\$ <u>4,500</u>	Buy NT\$ / Sell US\$	October 3, 2024 ~ February 5, 2025

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

	September 30, 2025	December 31, 2024	September 30, 2024
Equity instruments at fair value through other comprehensive income:			
Domestic listed company shares	\$ <u>261,277</u>	<u>276,323</u>	<u>216,565</u>

The Group designated the above-mentioned equity investments as financial assets at fair value through other comprehensive income ("FVOCI") as these investments are held for strategic purposes and not for trading.

The Group sold a portion of its FVTOCI equity instruments for the nine months ended September 30, 2025. The fair values at the time of disposal were NT\$93,705 thousand. The cumulative gains on disposal were NT\$4,080 thousand, respectively. These cumulative gains have been transferred from other equity to retained earnings.

In July 2024, 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\$95,353 thousand. The cumulative gain on disposal was NT\$6,780 thousand, which was reclassified from other components of equity to retained earnings

4. Financial assets measured at amortized cost - current

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits with original maturities of over three months	\$ -	145,000	-
Pledged time deposits (Note 8)	14,730	14,730	14,730
	<u>\$ 14,730</u>	<u>159,730</u>	<u>14,730</u>

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

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

	September 30, 2025	December 31, 2024	September 30, 2024
Notes and accounts receivable	\$ 275,537	250,559	246,583
Accounts receivable - related parties	9,230	14,377	14,809
	284,767	264,936	261,392
Less: Allowance for losses	(1,718)	(1,381)	(1,802)
	\$ 283,049	263,555	259,590

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:

September 30, 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	\$ 272,705	0.10%	284
Less than 30 days past due	7,042	4.31%	303
31 to 60 days past due	1,880	3.34%	63
61-90 days past due	1,903	21.15%	403
91-120 days past due	1,074	46.76%	502
Over 121 days past due	163	100.00%	163
	\$ 284,767		1,718

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
	\$ 264,936		1,381

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

	September 30, 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	\$ 243,760	0.12%	302
Less than 30 days past due	15,205	2.57%	392
31 to 60 days past due	639	10.42%	67
61-90 days past due	766	28.63%	219
91-120 days past due	652	69.35%	452
Over 121 days past due	370	100.00%	370
	\$ 261,392		1,802

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

	For the nine months ended September 30,	
	2025	2024
Balance, beginning of the period	\$ 1,381	5,072
Recognition (reversal) on impairment loss	393	(3,369)
Foreign currency translation gains (losses)	(56)	99
Balance, end of the period	\$ 1,718	1,802

6. Inventories

(1) Details of inventories as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 61,312	77,097	87,416
Work in process	116,536	115,382	114,009
Finished products	61,963	65,326	58,573
Goods	7,652	9,054	4,407
	\$ 247,463	266,859	264,405

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cost of inventories sold	\$ 232,594	226,993	670,456	653,784
Write-downs of inventories	6,639	4,523	17,816	2,943
Losses on scrap	-	-	4,690	7,070
	\$ 239,233	231,516	692,962	663,797

The above Write-downs of inventories are recognized as inventory losses due to the Group offsetting ending inventory to net realizable value, all of which are recognized under operating costs.

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

7. Non-current assets held for sale

On September 6, 2024, the board of directors of the Company approved the sale of land and buildings located in Tucheng District, New Taipei City, with a book value of NT\$186,321 thousand. On the same day, the Company signed a sales contract with Shin-ya Electronics Enterprise Co., Ltd., with a total transaction amount of NT\$238,285 thousand (including tax). The Company listed the relevant assets under the non-current assets held for sale.

The above transaction was completed in November 2024. The net proceeds from the disposal, after deducting related taxes and expenses, amounted to NT\$238,285 thousand, resulting in a disposal gain of NT\$51,964 thousand.

8. 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	Transportati on 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	-	-	19,659	-	44	2,295	21,998
Disposal during the period	-	-	-	(470)	(399)	-	(869)
Reclassified from prepaid equipment	-	-	16,707	-	-	18,129	34,836
Effect of changes in exchange rates	-	-	(1,478)	-	(223)	-	(1,701)
Balance of September 30, 2025	\$ 122,635	42,387	407,805	7,462	16,430	205,094	801,813
Balance of January 1, 2024	\$ 259,080	112,489	340,770	7,932	13,424	167,593	901,288
Additions during the period	-	295	10,136	-	731	7,451	18,613
Disposal during the period	-	-	-	-	(33)	-	(33)
Reclassified from prepaid equipment	-	-	3,194	-	100	7,619	10,913
Reclassified to non-current assets held for sale (Note 6 (7))	(136,445)	(70,397)	-	-	-	-	(206,842)
Effect of changes in exchange rates	-	-	191	-	7	-	198
Balance of September 30, 2024	\$ 122,635	42,387	354,291	7,932	14,229	182,663	724,137
Accumulated depreciation:							
Balance of January 1, 2025	\$ -	21,093	261,142	7,532	12,021	131,678	433,466
Depreciation during the period	-	1,164	35,798	225	1,412	26,988	65,587
Disposal during the period	-	-	-	(470)	(399)	-	(869)
Effect of changes in exchange rates	-	-	(267)	-	(19)	-	(286)
Balance of September 30, 2025	\$ -	22,257	296,673	7,287	13,015	158,666	497,898
Balance of January 1, 2024	\$ -	37,865	210,636	7,027	9,465	94,413	359,406
Depreciation during the period	-	3,174	39,027	430	2,416	30,797	75,844
Disposal during the period	-	-	-	-	(33)	-	(33)
Reclassified to non-current assets held for sale (Note 6 (7))	-	(20,521)	-	-	-	-	(20,521)
Effect of changes in exchange rates	-	-	170	-	6	-	176
Balance of September 30, 2024	\$ -	20,518	249,833	7,457	11,854	125,210	414,872
Carrying amounts:							
September 30, 2025	\$ 122,635	20,130	111,132	175	3,415	46,428	303,915
January 1, 2025	\$ 122,635	21,294	111,775	400	4,987	52,992	314,083
September 30, 2024	\$ 122,635	21,869	104,458	475	2,375	57,453	309,265

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

9. Right-of-use asset

	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	(1,770)
Balance of September 30, 2025	<u><u>\$ 142,165</u></u>
Balance of January 1, 2024	\$ 102,283
Additions	68,830
Reduction	(66,637)
Effect of changes in exchange rates	(99)
Balance of September 30, 2024	<u><u>\$ 104,377</u></u>
Accumulated depreciation of right-of-use assets:	
Balance of January 1, 2025	\$ 31,214
Depreciation	25,870
Effect of changes in exchange rates	(426)
Balance of September 30, 2025	<u><u>\$ 56,658</u></u>
Balance of January 1, 2024	\$ 71,857
Depreciation	19,409
Reduction	(66,637)
Effect of changes in exchange rates	17
Balance of September 30, 2024	<u><u>\$ 24,646</u></u>
Carrying amounts:	
September 30, 2025	<u><u>\$ 85,507</u></u>
January 1, 2025	<u><u>\$ 73,552</u></u>
September 30, 2024	<u><u>\$ 79,731</u></u>

10. Intangible assets

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

	Software purchased
Costs:	
Balance of January 1, 2025	\$ 47,291
Effect of changes in exchange rates	(78)
Balance of September 30, 2025	<u><u>\$ 47,213</u></u>
Balance of January 1, 2024	\$ 29,317
Acquisition during the period	8,753
Effect of changes in exchange rates	64
Balance of September 30, 2024	<u><u>\$ 38,134</u></u>
Accumulated amortization:	
Balance of January 1, 2025	\$ 29,199
Amortization during the period	5,966
Effect of changes in exchange rates	(72)
Balance of September 30, 2025	<u><u>\$ 35,093</u></u>
Balance of January 1, 2024	\$ 22,996
Amortization during the period	4,203
Effect of changes in exchange rates	58
Balance of September 30, 2024	<u><u>\$ 27,257</u></u>
Carrying amounts:	
Balance of September 30, 2025	<u><u>\$ 12,120</u></u>
Balance of January 1, 2025	<u><u>\$ 18,092</u></u>
Balance of September 30, 2024	<u><u>\$ 10,877</u></u>

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

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
	Operating costs	\$ 1	99	2
Operating expenses	1,807	1,514	5,964	3,872
	\$ 1,808	1,613	5,966	4,203

11. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured borrowings	\$ -	23,018	22,275
Unused balance	\$ 920,000	896,982	897,725
Interest rate range	-	5.52%~5.84%	5.66%~6.32%

12. Lease liabilities

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

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Related parties	\$ 8,122	8,073	7,862
Non-related parties	\$ 27,976	19,766	19,419
Non-current:			
Related parties	\$ 13,909	21,023	22,570
Non-related parties	\$ 39,192	25,325	30,105

For maturity analysis, please refer to Note 6(21) financial instruments.

The amounts recognized in profit or loss are as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
	Interest expenses on lease liabilities	\$ 595	580	1,829
Short-term lease payments	\$ 218	219	631	1,219

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

	For the nine months ended September 30,	
	2025	2024
Total cash outflows from leases	\$ 25,324	20,951

(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.

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

(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.

13. Provision for liabilities - current

Provision for warranty liabilities:

	September 30, 2025	December 31, 2024	September 30, 2024
Provision for warranty	\$ 270	217	249

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

14. Employee benefits

(1) Defined benefit plans

Subsequent to December 31, 2024, there was no significant market volatility, significant curtailment, reimbursement and settlement or other significant one-time events. Therefore, the pension cost in the consolidated interim financial statements was measured and disclosed by the Group according to the pension cost valued by actuary as of December 31, 2024 and 2023.

Expenses recognized in profit or loss:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating costs	\$ (1)	6	(1)	18
Operating expenses	-	2	-	6
	\$ (1)	8	(1)	24

(2) Defined contribution plans

Expenses recognized in profit or loss:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating costs	\$ 2,066	2,203	6,297	6,818
Operating expenses	1,610	1,627	4,923	4,755
	\$ 3,676	3,830	11,220	11,573

15. Income taxes

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Current income tax expense	\$ 11,805	1,273	24,878	6,909

(2) There was no income tax expense recognized directly in equity or other comprehensive income for the nine months ended September 30, 2025 and 2024.

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

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

16. Capital and other equity

(1) Common stock

As of September 30, 2025, December 31, 2024, and September 30, 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:

	September 30, 2025	December 31, 2024	September 30, 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
	\$ 659,704	690,174	690,174

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.

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

(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.

(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 dividend	\$ 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 September 30, 2025, December 31, 2024 and September 30, 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	(6,601)	-	(6,601)
Unrealized valuation loss on financial assets at fair value through other comprehensive income	-	(16,257)	(16,257)
Disposal of financial assets at fair value through other comprehensive income	-	(4,080)	(4,080)
September 30, 2025	<u>\$ (5,722)</u>	<u>(31,002)</u>	<u>(36,724)</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	(787)	-	(787)
Unrealized valuation gain on financial assets at fair value through other comprehensive income	-	(31,983)	(31,983)
Disposal of financial assets at fair value through other comprehensive income	-	(6,780)	(6,780)
September 30, 2024	<u>\$ (1,714)</u>	<u>24,664</u>	<u>22,950</u>

17. Earnings per share

(1) Basic earnings per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income attributable to equity holders of the Company's ordinary shares	<u>\$ 36,899</u>	<u>15,793</u>	<u>88,400</u>	<u>62,802</u>
Weighted-average number of ordinary shares outstanding (in thousands)	<u>46,875</u>	<u>46,875</u>	<u>46,875</u>	<u>46,875</u>
Basic earnings per share (NT\$)	<u>\$ 0.79</u>	<u>0.34</u>	<u>1.89</u>	<u>1.34</u>

(2) Diluted earnings per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income attributable to equity holders of the Company's ordinary shares	<u>\$ 36,899</u>	<u>15,793</u>	<u>88,400</u>	<u>62,82</u>
Weighted-average number of ordinary shares outstanding (basic) (in thousands)	46,875	46,875	46,875	46,875
Effect of dilutive potential ordinary shares (in thousands):				
Effect of employees' remuneration	220	113	256	171
Weighted-average number of ordinary shares outstanding (diluted) (in thousands)	<u>47,095</u>	<u>46,988</u>	<u>47,131</u>	<u>47,046</u>
Diluted earnings per share (NT\$)	<u>\$ 0.78</u>	<u>0.34</u>	<u>1.88</u>	<u>1.33</u>

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

18. Revenue from customer contracts
(1) Breakdown of revenue

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Major regional markets:				
Taiwan	\$ 136,198	120,719	415,398	384,635
Mainland China	70,189	80,693	239,527	227,111
The U.S.	91,191	65,660	199,223	173,938
Others	52,462	60,022	170,769	154,294
	\$ 350,040	327,094	1,024,917	939,978
Major products and services:				
Electronic ceramic components	\$ 221,746	192,265	621,091	565,371
Module and system products	107,492	102,807	323,909	279,543
Other electronic parts and components	20,802	32,022	79,917	95,064
	\$ 350,040	327,094	1,024,917	939,978

(2) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Notes and accounts receivable (including related parties)	\$ 284,767	264,936	261,392
Less: Allowance for losses	(1,718)	(1,381)	(1,802)
	\$ 283,049	263,555	259,590
	September 30, 2025	December 31, 2024	September 30, 2024
Contractual liabilities (included in other current liabilities)	\$ 4,382	12,691	6,548

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 nine months ended September 30, 2025 and 2024 that were included in the balances of contract liabilities on January 1, 2025 and 2024, were NT\$11,671 thousand and NT\$3,359 thousand, respectively.

19. Employees' and directors' remuneration

On May 27, 2025, the shareholders' meeting resolved to amend the Company's Article of Incorporation. Under the amended Articles, If the Company makes profits in a year, 10% to 15% of them shall 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 allocation of non-executive employees' remuneration shall not be less than 10% of the total employees' remuneration. 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 the conditions set by the board of directors or its authorized persons. Prior to the amendment, the Articles stipulated that if the Company reported profit for the year, it shall allocate 10% to 15% of such profit as employees' remuneration and up to 3% as directors' remuneration. However, if the Company had accumulated deficits, the amount required to offset such deficits shall be retained in advance,

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

accrual of employees' and directors' remuneration on a pro-rata basis. Employees' remuneration could be distributed in the form of shares or cash, and may include employees of controlled or affiliated subsidiaries who meet certain conditions. The conditions and distribution method shall be determined by the Board of Directors or its authorized designee.

For the three months ended September 30, 2025, 2024 and For the nine months ended September 30, 2025 and 2024, the Company estimated its remuneration to employees amounting to NT\$5,457 thousand, NT\$1,912 thousand, NT\$12,692 thousand and NT\$7,811 thousand, respectively; the remuneration to directors amounting to NT\$409 thousand, NT\$144 thousand, NT\$952 thousand and NT\$586 thousand, respectively., which are estimated by multiplying the Company's income before income tax for each period prior to the deduction of employees' and directors' remuneration by the percentage of employees' and directors' remuneration 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 amounts of employees' remuneration were NT\$11,802 thousand and NT\$24,922 thousand, respectively; the estimated amounts of directors' remuneration were NT\$885 thousand and NT\$1,869 thousand, respectively, which were the same as the amount resolved by the Board of Directors and were all paid in cash. Related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

20. Non-operating income and expenses

(1) Interest income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 604	406	3,327	3,046

(2) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Dividend income	\$ 14,725	17,452	14,725	17,452
Other income-others	251	398	1,253	1,076
	\$ 14,976	17,850	15,978	18,528

(3) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net foreign currency exchange gains(loss)	\$ 14,050	(8,010)	(12,164)	1,944
Net gains (loss) on financial instruments at fair value through profit or loss	(10,917)	4,444	(1,105)	(2,100)
Others	-	(8,308)	(1,032)	(8,369)
	\$ 3,133	(11,874)	(14,301)	(8,525)

**Notes to consolidated financial reports of Unictron Technologies Corporation and
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(4) Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expenses on bank loans	\$ (1)	(197)	(389)	(270)
Interest expenses on lease liabilities	(595)	(580)	(1,829)	(1,098)
	<u>(596)</u>	<u>(777)</u>	<u>(2,218)</u>	<u>(1,368)</u>

21. 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.

(1) Types of financial instruments

(a) Financial assets

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through profit or loss:			
Mandatory financial assets at fair value through profit or loss - current:	\$ 23	-	1,832
Financial assets at fair value through other comprehensive income-current	261,277	276,323	216,565
Financial assets measured at amortized cost:			
Cash and cash equivalents	705,685	573,584	524,417
Notes and accounts receivable (including related parties)	283,049	263,555	259,590
Financial assets measured at amortized cost - current	14,730	159,730	14,730
Refundable deposits	8,113	6,895	6,776
Subtotal	1,011,577	1,003,764	805,513
Total	<u>1,272,877</u>	<u>1,280,087</u>	<u>1,023,910</u>

(b) Financial liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities at fair value through profit or loss	\$ 3,364	2,237	-
Financial liabilities measured at amortized cost:			
Short-term borrowings	-	23,018	22,275
Notes and accounts payable and other payables (including related parties)	317,028	328,396	260,757
Lease liabilities (including current and non-current) (including related parties)	89,199	74,187	79,956
Subtotal	406,227	425,601	362,988
Total	<u>409,591</u>	<u>427,838</u>	<u>362,988</u>

(2) Liquidity risk

Liquidity risk is the risk that the Group is unable to deliver cash or other financial assets to settle its financial liabilities and unable to meet its obligations. The Group manages liquidity risk

**Notes to consolidated financial reports of Unictron Technologies Corporation and
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by regularly monitoring its current and expected medium- and long-term capital requirements

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

and by maintaining appropriate capital and banking facilities. On September 30, 2025, December 31, 2024 and September 30, 2024, the Group had unused borrowing facilities of NT\$920,000 thousand, NT\$896,982 thousand and NT\$897,725 thousand, respectively.

The following table illustrates the maturity analysis of the Group's financial liabilities with contractual repayment terms, which are based on the earliest possible date on which the Group could be required to make repayment and undiscounted cash flows.

	<u>Contractual cash flow</u>	<u>Within one year</u>	<u>1 to 2 years</u>	<u>More than 2 years</u>
September 30, 2025				
Non-derivative financial liabilities:				
Notes and accounts payable and other payables (including related parties)	\$ 317,028	317,028	-	-
Lease liabilities (including current and non-current) (including related parties)	<u>93,134</u>	<u>38,016</u>	<u>26,887</u>	<u>28,231</u>
	<u>410,162</u>	<u>355,044</u>	<u>26,887</u>	<u>28,231</u>
Derivative financial instruments				
Forward foreign exchange contracts:				
Outflows	\$ 147,571	147,571	-	-
Inflows	<u>(144,207)</u>	<u>(144,207)</u>	<u>-</u>	<u>-</u>
	<u>3,364</u>	<u>3,364</u>	<u>-</u>	<u>-</u>
	<u>\$ 413,526</u>	<u>358,408</u>	<u>26,887</u>	<u>28,231</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)	<u>77,980</u>	<u>29,649</u>	<u>29,254</u>	<u>19,077</u>
	<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	<u>(134,275)</u>	<u>(134,275)</u>	<u>-</u>	<u>-</u>
	<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>
September 30, 2024				
Non-derivative financial liabilities:				
Short-term borrowings	\$ 22,802	22,802	-	-
Notes and accounts payable and other payables (including related parties)	260,757	260,757	-	-
Lease liabilities (including current and non-current) (including related parties)	<u>84,170</u>	<u>29,192</u>	<u>29,426</u>	<u>25,552</u>
	<u>\$ 367,729</u>	<u>312,751</u>	<u>29,426</u>	<u>25,552</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:

September 30, 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>						
USD	\$	8,634	30.445	262,862	1%	2,629
RMB		12,445	4.2765	53,221	1%	532
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		594	30.445	18,084	1%	181
RMB		658	4.2765	2,814	1%	28
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>						
USD	\$	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>						
USD		1,231	32.785	40,358	1%	404
RMB		137	4.4915	615	1%	6
September 30, 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>						
USD	\$	9,506	31.650	300,865	1%	3,009
RMB		7,934	4.5133	35,809	1%	358
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		1,192	31.650	37,727	1%	377
RMB		170	4.5133	767	1%	8

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:

	September 30, 2025		September 30, 2024	
	Unrealized exchange profits (losses)	Exchange rate	Unrealized exchange profits (losses)	Exchange rate
<u>Financial assets</u>				
USD:NTD	\$ 2,299	30.445	(4,267)	31.650
RMB:NTD	79	4.2765	454	4.5133
<u>Financial liabilities</u>				
USD:NTD	(311)	30.445	748	31.650
RMB:NTD	(41)	4.2765	-	4.5133

(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).

	September 30, 2025				
	Carrying amounts	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 23	-	23	-	23
Financial assets at fair value through other comprehensive income - current:					
Domestic listed company shares	\$ 261,277	261,277	-	-	261,277
Financial liabilities at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 3,364	-	3,364	-	3,364

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

	September 30, 2024				
	Carrying amounts	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at fair value through profit or loss - current:					
Derivative financial instruments - forward foreign exchange contracts	\$ 1,832	-	1,832	-	1,832
Financial assets at fair value through other comprehensive income - current:					
Domestic listed company shares	\$ 216,565	216,565	-	-	216,565

(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 nine months ended September 30, 2025 and 2024, there was no transfer of financial assets and liabilities to the fair value hierarchy.

22. 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.

23. 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.

24. 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(9) 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		September 30, 2025
			Increase in lease liabilities	Change in exchange rate	
Short-term borrowings	\$ 23,018	(23,018)	-	-	-
Lease liabilities (including related parties)	74,187	(22,757)	39,169	(1,400)	89,199
Total liabilities from financing activities	<u>\$ 97,205</u>	<u>(45,775)</u>	<u>39,169</u>	<u>(1,400)</u>	<u>89,199</u>

	January 1, 2024	Cash flow	Changes in non-cash		September 30, 2024
			Increase in lease liabilities	Change in exchange rate	
Short-term borrowings	\$ -	22,275	-	-	22,275
Lease liabilities (including related parties)	29,880	(18,634)	68,830	(120)	79,956
Total liabilities from financing activities	<u>\$ 29,880</u>	<u>3,641</u>	<u>68,830</u>	<u>(120)</u>	<u>102,231</u>

(3) Investing activities with only partial cash payments:

	For the nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 21,998	18,613
Add: Payable for equipment at the beginning of the period	6,976	2,216
Less: Payable for equipment at the end of the period	(2,777)	(4,537)
Add: Prepayments for equipment at the end of the period	13,456	41,553
Less: Prepayments for equipment at the beginning of the period	(39,500)	(12,836)
Add: Reclassified from prepaid equipment	34,836	10,913
Cash paid during the period	<u>\$ 34,989</u>	<u>55,922</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
DFI Inc. (DFI)	A subsidiary of Qisda
Metaage Corporation (MTG)	A subsidiary of Qisda
BenQ Asia Pacific Corp (BQP)	A subsidiary of Qisda
Action Star Technology Co., Ltd. (Action Star)	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		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Parent company	\$ -	-	10	-
Other related parties	6,385	10,019	30,021	36,588
	\$ 6,385	10,019	30,031	36,588

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		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Parent company	\$ 422	143	759	251

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\$27 thousand, NT\$42 thousand, NT\$93 thousand and NT\$136 thousand, For the three months and the nine months ended September 30 2025 and 2024, and had a lease liability of NT\$8,404 thousand, NT\$11,952 thousand and NT\$13,127 thousand on September 30, 2025, December 31, 2024 and September 30, 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

**Notes to consolidated financial reports of Unictron Technologies Corporation and
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lease agreement with DFV and recognized a right-of-use asset and a lease liability of NT\$18,973

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

thousand. The Group recognized interest expenses related to lease liabilities in the amounts of NT\$221 thousand, NT\$290 thousand, NT\$734 thousand, and NT\$491 thousand for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, respectively. For the three months and the nine months ended September 30, 2025 and 2024, and had a lease liability of NT\$13,627 thousand, NT\$17,144 thousand and NT\$17,305 thousand on September 30, 2025, December 31, 2024 and September 30, 2024.

(4) Dividend

The amount of dividend income generated by the company's related parties' securities is as follows:

Item	Type of related parties	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Other income	Parent company	\$ 8,000	8,200	8,000	8,200
Other income	Other related parties	1,516	3,432	1,516	3,432
		<u>\$ 9,516</u>	<u>11,632</u>	<u>9,516</u>	<u>11,632</u>

(5) Operating costs and operating expenses.

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

Item	Type of related parties	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Operating costs	Parent company	\$ 3,176	3,103	7,910	7,255
Operating costs	Other related parties	133	-	365	-
Operating expenses	Parent company	1,249	1,609	5,753	5,991
Operating expenses	Other related parties	197	-	598	10
		<u>\$ 4,755</u>	<u>4,712</u>	<u>14,626</u>	<u>13,256</u>

(6) Amounts due from related parties

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

Item	Type of related parties	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable - related parties	Parent company	\$ -	4	-
Accounts receivable - related parties	Other related parties	9,230	14,373	14,809
		<u>9,230</u>	<u>14,377</u>	<u>14,809</u>

(7) Amounts due to related parties

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

Item	Type of related parties	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable - related parties	Parent company	\$ 576	49	152
Other payables - related parties	Parent company	7,055	5,744	7,395
Other payables - related parties	Other related parties	95	778	-
		<u>\$ 7,726</u>	<u>6,571</u>	<u>7,547</u>

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

4. Key management compensation

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 22,214	9,405	40,520	31,975
Post-employment benefits	36	35	144	193
	\$ 22,250	9,440	40,664	32,168

(VIII) Pledged assets

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

Name of assets	Subject of pledge	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits (included in financial assets measured at amortized cost - current)	Performance Guarantees	\$ 14,130	14,130	14,130
Time deposits (included in financial assets measured at amortized cost - current)	Corporate credit card deposits	600	600	600
		\$ 14,730	14,730	14,730

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

(X) Significant catastrophic losses: None.

(XI) Significant subsequent events: None.

(XII) Others

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

By nature	By function		For the three months ended September 30,			
			2025		2024	
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expenses						
Salary expenses	57,694	48,581	106,275	63,538	48,547	112,085
Labor and health insurance expenses	6,156	3,861	10,017	5,633	4,260	9,893
Pension expenses	2,066	1,610	3,676	2,209	1,629	3,838
Other employee benefit expenses	4,101	1,613	5,714	3,732	1,580	5,312
Depreciation expenses	27,897	5,777	33,674	23,759	7,479	31,238
Amortization expenses	1	1,807	1,808	99	1,514	1,613

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

By function By nature	For the nine months ended September 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expenses						
Salary expenses	166,948	128,687	295,635	158,302	125,194	283,496
Labor and health insurance expenses	17,939	12,055	29,994	17,271	12,233	29,504
Pension expenses	6,297	4,923	11,220	6,836	4,761	11,597
Other employee benefit expenses	11,574	4,790	16,364	10,923	4,434	15,357
Depreciation expenses	74,754	16,703	91,457	72,990	22,263	95,253
Amortization expenses	2	5,964	5,966	331	3,872	4,203

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

(XIII) Notes disclosures

1. 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 nine months ended September 30, 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):

(In thousands of NTD / 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	Darfon shares	The Group's parent company	Financial assets at fair value through other comprehensive income - current	4,000	147,600	1.43%	147,600	-
The Company	UMC shares	-	Financial assets at fair value through other comprehensive income - current	140	6,377	-	6,377	-
The Company	Quanta shares	-	Financial assets at fair value through other comprehensive income - current	370	107,300	0.01%	107,300	-

- (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.

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

(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	21,144	150-day monthly settlement	2.06%
0	The Company	Unictron (Shenzhen)	1	Accounts receivable	19,330	150-day monthly settlement	0.97%

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.

2. Relevant information on investees:

Information on the Company's re-investees for the nine months ended September 30, 2025 is as follows (excluding the investees in Mainland China):

(In thousands of NTD / 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%	23,926	12	12	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)	-	56,319	(13,917)	(13,917)	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 (Shenzhen) Co., LTD.	Design and marketing of antenna and modules for wireless communication	44,815 (USD1,472)	(Note 1)	44,815 (USD1,472)	-	-	44,815 (USD1,472)	168	100.00%	168 (Note 2)	23,645	-

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 NTS were translated into NTS at the closing exchange rate of 30.445 on September 30, 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	44,815 (USD1,472)	44,815 (USD1,472)	923,304

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

(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	
Umictron Technologies (Shenzhen) Co., LTD.	Subsidiary indirectly controlled by the Company	Sales	21,144	Price negotiated between both parties	150-day monthly settlement	(Note 1)	19,330	6.87%	1,008

(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 nine months ended September 30, 2025 and 2024.