

E Ink Holdings Inc. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
E Ink Holdings Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of E Ink Holdings Inc. and its subsidiaries (collectively, the “Group”) as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and 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

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

Basis for Qualified Conclusion

As disclosed in Notes 13 and 14 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and investments accounted for using the equity method included in the consolidated financial statements for the same reporting periods were not reviewed. As of September 30, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT\$3,767,035 thousand and NT\$1,471,768 thousand, respectively, representing 4% and 2%, respectively, of the consolidated total assets, and the combined total liabilities of these non-significant subsidiaries were NT\$222,944 thousand and NT\$113,354 thousand, respectively, representing 0.6% and 0.3%, respectively, of the consolidated total liabilities; for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the amounts of combined comprehensive income or loss of these non-significant subsidiaries were NT\$(48,964) thousand, NT\$7,839 thousand, NT\$(30,129) thousand and NT\$24,208 thousand, respectively, representing (0.7%), 0.2%, (0.2%) and 0.2%, respectively, of the consolidated total comprehensive income. As of September 30, 2025 and 2024, the carrying amounts of the above mentioned investments accounted for using the equity method were NT\$178,577 thousand and

NT\$341,247 thousand, respectively; for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the amounts of combined comprehensive income or loss of investments accounted for using the equity method were NT\$15,457 thousand, NT\$20,926 thousand, NT\$4,176 thousand and NT\$(16,442) thousand, respectively.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph and the related information of these non-significant subsidiaries as disclosed in Note 35 to the consolidated financial statements been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated 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’ review report are Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 7, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS (Note 4)						
Cash and cash equivalents (Note 6)	\$ 17,148,562	17	\$ 13,206,169	14	\$ 10,982,129	12
Financial assets at fair value through profit or loss (Note 7)	931,330	1	2,874,845	3	3,555,069	4
Financial assets at fair value through other comprehensive income (Notes 8 and 11)	642,167	1	1,346,073	1	747,428	1
Financial assets at amortized cost (Notes 9, 11 and 32)	4,344,130	4	7,016,883	8	8,393,795	9
Contract assets (Note 22)	-	-	5,056	-	-	-
Accounts receivable (Notes 10, 22 and 31)	6,826,881	7	4,757,678	5	3,942,511	4
Other receivables (Note 31)	200,213	-	510,468	1	401,606	1
Inventories (Note 12)	3,992,321	4	3,521,775	4	4,016,461	5
Prepayments (Note 31)	560,621	-	635,352	1	659,075	1
Other current assets	17,389	-	29,244	-	18,960	-
Total current assets	34,663,614	34	33,903,543	37	32,717,034	37
NON-CURRENT ASSETS (Note 4)						
Financial assets at fair value through profit or loss (Notes 7 and 31)	4,448,402	4	3,630,058	4	3,597,354	4
Financial assets at fair value through other comprehensive income (Notes 8 and 11)	40,226,249	39	30,258,211	33	30,236,891	34
Financial assets at amortized cost (Notes 9, 11 and 32)	77,818	-	747,204	1	1,495,299	2
Investments accounted for using the equity method (Note 14)	178,577	-	356,072	1	341,247	-
Property, plant and equipment (Notes 15, 28 and 31)	11,804,802	11	11,176,505	12	10,669,498	12
Right-of-use assets (Notes 16 and 31)	884,313	1	988,579	1	982,116	1
Goodwill (Notes 17 and 27)	7,684,710	8	7,566,421	8	7,330,869	8
Other intangible assets (Note 17)	514,671	1	418,573	1	431,413	-
Deferred tax assets	2,460,850	2	1,981,099	2	1,609,107	2
Other non-current assets (Note 31)	129,028	-	125,479	-	111,721	-
Total non-current assets	68,409,420	66	57,248,201	63	56,805,515	63
TOTAL	\$ 103,073,034	100	\$ 91,151,744	100	\$ 89,522,549	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES (Note 4)						
Short-term borrowings (Notes 18 and 32)	\$ 4,464,112	4	\$ 7,270,000	8	\$ 7,250,000	8
Short-term bills payable (Note 18)	3,720,417	4	4,298,558	5	6,053,776	7
Financial liabilities at fair value through profit or loss (Note 7)	50,351	-	457,611	-	917	-
Contract liabilities (Note 22)	295,522	-	513,901	1	955,843	1
Notes and accounts payable (Note 31)	4,496,108	5	3,501,424	4	4,252,052	5
Other payables (Notes 19 and 28)	3,679,623	4	3,616,616	4	3,241,897	4
Current tax liabilities	2,269,937	2	2,241,382	2	1,446,908	1
Long-term borrowings - current portion (Note 18)	363,736	-	494,386	1	128,030	-
Other current liabilities (Notes 16 and 31)	599,556	1	464,528	-	402,022	-
Total current liabilities	19,939,362	20	22,858,406	25	23,731,445	26
NON-CURRENT LIABILITIES (Note 4)						
Contract liabilities (Note 22)	4,593	-	-	-	-	-
Long-term borrowings (Note 18)	13,033,840	12	7,727,004	9	7,953,256	9
Deferred tax liabilities	2,835,524	3	1,822,108	2	1,652,090	2
Lease liabilities (Notes 16 and 31)	864,268	1	955,725	1	957,691	1
Net defined benefit liabilities	37,905	-	29,374	-	35,300	-
Other non-current liabilities (Note 31)	21,797	-	17,296	-	37,543	-
Total non-current liabilities	16,797,927	16	10,551,507	12	10,635,880	12
Total liabilities	36,737,289	36	33,409,913	37	34,367,325	38
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 21 and 27)						
Share capital	11,504,763	11	11,459,163	12	11,448,981	13
Advance receipts for share capital	28,011	-	152,064	-	70,013	-
Capital surplus	11,507,864	11	10,970,780	12	10,896,745	12
Retained earnings	28,372,064	28	24,736,387	27	21,216,372	24
Other equity	13,741,525	13	9,734,096	11	10,806,424	12
Total equity attributable to owners of the Company	65,154,227	63	57,052,490	62	54,438,535	61
NON-CONTROLLING INTERESTS (Note 21)	1,181,518	1	689,341	1	716,689	1
Total equity	66,335,745	64	57,741,831	63	55,155,224	62
TOTAL	\$ 103,073,034	100	\$ 91,151,744	100	\$ 89,522,549	100

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

(With Deloitte & Touche review report dated November 7, 2025)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 31)	\$ 10,415,096	100	\$ 9,189,190	100	\$ 29,100,055	100	\$ 22,487,864	100
OPERATING COSTS (Notes 12, 23 and 31)	<u>4,585,490</u>	<u>44</u>	<u>4,740,783</u>	<u>52</u>	<u>12,656,870</u>	<u>44</u>	<u>11,723,206</u>	<u>52</u>
GROSS PROFIT	<u>5,829,606</u>	<u>56</u>	<u>4,448,407</u>	<u>48</u>	<u>16,443,185</u>	<u>56</u>	<u>10,764,658</u>	<u>48</u>
OPERATING EXPENSES (Notes 23 and 31)								
Selling and marketing expenses	256,316	3	227,545	2	806,777	3	680,092	3
General and administrative expenses	744,697	7	786,928	9	2,259,336	8	2,333,140	10
Research and development expenses	<u>1,191,162</u>	<u>11</u>	<u>1,033,310</u>	<u>11</u>	<u>3,390,366</u>	<u>11</u>	<u>2,940,026</u>	<u>13</u>
Total operating expenses	<u>2,192,175</u>	<u>21</u>	<u>2,047,783</u>	<u>22</u>	<u>6,456,479</u>	<u>22</u>	<u>5,953,258</u>	<u>26</u>
INCOME FROM OPERATIONS	<u>3,637,431</u>	<u>35</u>	<u>2,400,624</u>	<u>26</u>	<u>9,986,706</u>	<u>34</u>	<u>4,811,400</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES								
Share of gain (loss) of associates and joint ventures (Note 14)	8,211	-	8,625	-	15,562	-	(52,208)	-
Interest income (Notes 23 and 31)	273,941	3	375,447	4	901,062	3	1,114,464	5
Royalty income (Notes 4 and 22)	80,350	1	84,021	1	244,941	1	248,782	1
Dividend income	694,483	7	442,080	5	981,903	3	662,905	3
Other income (Notes 23 and 31)	17,463	-	8,369	-	56,651	-	45,992	-
Net gain (loss) on disposal of investment (Note 14)	(10,844)	-	(116,025)	(1)	645,526	2	(116,025)	(1)
Net (loss) gain on foreign currency exchange (Note 34)	653,535	6	(570,136)	(6)	(1,270,503)	(4)	218,963	1
Interest expenses (Notes 15 and 31)	(94,730)	(1)	(85,937)	(1)	(277,544)	(1)	(246,655)	(1)
Other expenses	(26,487)	-	(16,143)	-	(97,719)	-	(44,463)	-
Net gain (loss) on fair value change of financial assets and liabilities at fair value through profit or loss	<u>(39,861)</u>	<u>(1)</u>	<u>(11,739)</u>	<u>-</u>	<u>203,443</u>	<u>1</u>	<u>(8,197)</u>	<u>-</u>
Total non-operating income and expenses	<u>1,556,061</u>	<u>15</u>	<u>118,562</u>	<u>2</u>	<u>1,403,322</u>	<u>5</u>	<u>1,823,558</u>	<u>8</u>
INCOME BEFORE INCOME TAX	5,193,492	50	2,519,186	28	11,390,028	39	6,634,958	30
INCOME TAX EXPENSE (Notes 4 and 24)	<u>955,959</u>	<u>9</u>	<u>520,183</u>	<u>6</u>	<u>1,994,746</u>	<u>7</u>	<u>1,264,402</u>	<u>6</u>
NET INCOME FOR THE PERIOD	<u>4,237,533</u>	<u>41</u>	<u>1,999,003</u>	<u>22</u>	<u>9,395,282</u>	<u>32</u>	<u>5,370,556</u>	<u>24</u>

(Continued)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	\$ 1,810,357	17	\$ 1,491,889	16	\$ 7,191,425	25	\$ 4,699,513	21
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 24)	<u>(146,654)</u>	<u>(1)</u>	<u>(248,153)</u>	<u>(3)</u>	<u>(1,087,799)</u>	<u>(4)</u>	<u>(576,858)</u>	<u>(3)</u>
	<u>1,663,703</u>	<u>16</u>	<u>1,243,736</u>	<u>13</u>	<u>6,103,626</u>	<u>21</u>	<u>4,122,655</u>	<u>18</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	1,023,329	10	(88,963)	(1)	(2,225,683)	(8)	1,017,897	4
Unrealized gain on investments in debt instruments at fair value through other comprehensive income	83,078	-	168,144	2	167,110	1	140,601	1
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 14)	7,246	-	12,301	-	(11,386)	-	35,766	-
Income tax related to items that may be reclassified subsequently to profit or loss (Note 24)	<u>(6,347)</u>	<u>-</u>	<u>(23,233)</u>	<u>-</u>	<u>(18,913)</u>	<u>-</u>	<u>(19,922)</u>	<u>-</u>
	<u>1,107,306</u>	<u>10</u>	<u>68,249</u>	<u>1</u>	<u>(2,088,872)</u>	<u>(7)</u>	<u>1,174,342</u>	<u>5</u>
Other comprehensive income for the period, net of income tax	<u>2,771,009</u>	<u>26</u>	<u>1,311,985</u>	<u>14</u>	<u>4,014,754</u>	<u>14</u>	<u>5,296,997</u>	<u>23</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 7,008,542</u>	<u>67</u>	<u>\$ 3,310,988</u>	<u>36</u>	<u>\$ 13,410,036</u>	<u>46</u>	<u>\$ 10,667,553</u>	<u>47</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 4,227,717	41	\$ 2,005,429	22	\$ 9,396,361	32	\$ 5,346,132	24
Non-controlling interests	<u>9,816</u>	<u>-</u>	<u>(6,426)</u>	<u>-</u>	<u>(1,079)</u>	<u>-</u>	<u>24,424</u>	<u>-</u>
	<u>\$ 4,237,533</u>	<u>41</u>	<u>\$ 1,999,003</u>	<u>22</u>	<u>\$ 9,395,282</u>	<u>32</u>	<u>\$ 5,370,556</u>	<u>24</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 6,985,365	67	\$ 3,282,384	36	\$ 13,363,508	46	\$ 10,591,515	47
Non-controlling interests	<u>23,177</u>	<u>-</u>	<u>28,604</u>	<u>-</u>	<u>46,528</u>	<u>-</u>	<u>76,038</u>	<u>-</u>
	<u>\$ 7,008,542</u>	<u>67</u>	<u>\$ 3,310,988</u>	<u>36</u>	<u>\$ 13,410,036</u>	<u>46</u>	<u>\$ 10,667,553</u>	<u>47</u>

(Continued)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
EARNINGS PER SHARE								
(Note 25)								
Basic	\$ 3.67		\$ 1.75		\$ 8.17		\$ 4.67	
Diluted	\$ 3.65		\$ 1.74		\$ 8.12		\$ 4.63	

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

(With Deloitte & Touche review report dated November 7, 2025)

(Concluded)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company								Other Equity			Non-controlling Interests	Total Equity
	Share Capital			Capital Surplus	Retained Earnings				Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Total		
	Shares (In Thousands)	Amount	Advance Recipes for Share Capital		Legal Reserve	Special Reserve	Unappropriated Earnings	Total					
BALANCE ON JANUARY 1, 2024	1,141,103	\$ 11,411,033	\$ 87,141	\$ 10,878,525	\$ 4,019,252	\$ 70,678	\$ 16,606,700	\$ 20,696,630	\$ (1,189,487)	\$ 7,023,979	\$ 48,907,821	\$ 640,651	\$ 49,548,472
Appropriation of 2023 earnings													
Legal reserve	-	-	-	-	800,566	-	(800,566)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,140,772)	(5,140,772)	-	-	(5,140,772)	-	(5,140,772)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	12,226	-	-	-	-	-	-	12,226	-	12,226
Other changes in capital surplus	-	-	-	34	-	-	-	-	-	-	34	-	34
Net income for the nine months ended September 30, 2024	-	-	-	-	-	-	5,346,132	5,346,132	-	-	5,346,132	24,424	5,370,556
Other comprehensive income (loss) for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	-	-	-	1,041,603	4,203,780	5,245,383	51,614	5,296,997
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	5,346,132	5,346,132	1,041,603	4,203,780	10,591,515	76,038	10,667,553
Disposal of investments accounted for using equity method	-	-	-	(256,797)	-	-	-	-	40,931	-	(215,866)	-	(215,866)
Disposal of investments in equity instruments at FVTOCI	-	-	-	-	-	-	314,382	314,382	-	(314,382)	-	-	-
Share-based payments	-	-	-	45,997	-	-	-	-	-	-	45,997	-	45,997
Exercise of employee share options	3,795	37,948	(17,128)	216,760	-	-	-	-	-	-	237,580	-	237,580
BALANCE ON SEPTEMBER 30, 2024	1,144,898	\$ 11,448,981	\$ 70,013	\$ 10,896,745	\$ 4,819,818	\$ 70,678	\$ 16,325,876	\$ 21,216,372	\$ (106,953)	\$ 10,913,377	\$ 54,438,535	\$ 716,689	\$ 55,155,224
BALANCE ON JANUARY 1, 2025	1,145,916	\$ 11,459,163	\$ 152,064	\$ 10,970,780	\$ 4,819,818	\$ 70,678	\$ 19,845,891	\$ 24,736,387	\$ (412,930)	\$ 10,147,026	\$ 57,052,490	\$ 689,341	\$ 57,741,831
Appropriation of 2024 earnings													
Legal reserve	-	-	-	-	918,052	-	(918,052)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,741,097)	(5,741,097)	-	-	(5,741,097)	-	(5,741,097)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	602	-	-	-	-	-	-	602	-	602
Net income (loss) for the nine months ended September 30, 2025	-	-	-	-	-	-	9,396,361	9,396,361	-	-	9,396,361	(1,079)	9,395,282
Other comprehensive income (loss) for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	-	-	-	(2,216,148)	6,183,295	3,967,147	47,607	4,014,754
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	-	-	9,396,361	9,396,361	(2,216,148)	6,183,295	13,363,508	46,528	13,410,036
Disposal of investments accounted for using equity method	-	-	-	(1,852)	-	-	-	-	381	-	(1,471)	-	(1,471)
Disposal of subsidiaries	-	-	-	-	-	-	(93,601)	(93,601)	113,915	-	20,314	-	20,314
Share-based payments	-	-	-	282,576	-	-	-	-	-	-	282,576	1,279	283,855
Exercise of employee share options	4,560	45,600	(124,053)	255,709	-	-	-	-	-	-	177,256	-	177,256
Disposal of investments in equity instruments at FVTOCI	-	-	-	-	-	-	74,014	74,014	-	(74,014)	-	-	-
Other changes in capital surplus	-	-	-	49	-	-	-	-	-	-	49	-	49
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	444,370	444,370
BALANCE ON SEPTEMBER 30, 2025	1,150,476	\$ 11,504,763	\$ 28,011	\$ 11,507,864	\$ 5,737,870	\$ 70,678	\$ 22,563,516	\$ 28,372,064	\$ (2,514,782)	\$ 16,256,307	\$ 65,154,227	\$ 1,181,518	\$ 66,335,745

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

(With Deloitte & Touche review report dated November 7, 2025)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 11,390,028	\$ 6,634,958
Adjustments for		
Depreciation expenses	1,187,988	1,005,682
Amortization expenses	76,369	86,675
Expected credit (reversal) loss	(1,219)	2,055
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(203,443)	8,197
Interest expenses	277,544	246,655
Interest income	(901,062)	(1,114,464)
Dividend income	(981,903)	(662,905)
Compensation costs of share-based payments	283,855	45,997
Share of (gain) loss of associates and joint ventures accounted for using the equity method	(15,562)	52,208
Net loss (gain) on disposal of property, plant and equipment	3,277	(922)
Net loss on disposal of intangible assets	232	193
(Gain) loss on disposal of investment	(645,526)	116,025
Reversal of impairment (gain) or loss	(54)	3
Write-downs of inventories	88,164	551
Net unrealized loss on foreign currency exchange	356,087	45,921
Other revenue	(1,056)	(1,092)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(5,947)	-
Contract assets	4,488	14,938
Accounts receivable	(1,967,939)	(1,175,058)
Other receivables	190,013	100,245
Inventories	(768,952)	(1,107,483)
Prepayments	60,086	(337,168)
Other current assets	(717)	(2,044)
Financial liabilities held for trading	(178,377)	(26,081)
Contract liabilities	(206,157)	321,395
Notes and accounts payable	1,082,323	1,667,889
Other payables	258,718	421,640
Other current liabilities	122,921	(1,024)
Net defined benefit liabilities	4,388	4,301
Cash generated from operations	9,508,567	6,347,287
Income tax paid	(2,575,096)	(1,728,747)
Net cash generated from operating activities	6,933,471	4,618,540

(Continued)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (4,171,713)	\$ (3,879,690)
Proceeds from sale of financial assets at fair value through other comprehensive income	1,600,117	1,310,484
Acquisition of financial assets at amortized cost	(4,532,288)	(15,817,387)
Proceeds from sale of financial assets at amortized cost	7,573,504	16,586,547
Acquisition of financial assets at fair value through profit or loss	(891,312)	(3,043,460)
Proceeds from sale of financial assets at fair value through profit or loss	1,865,369	631,604
Acquisition of property, plant and equipment	(2,371,161)	(2,280,080)
Proceeds from disposal of property, plant and equipment	45,287	18,484
Acquisition of other intangible assets	(12,360)	(19,257)
Net cash inflow from acquisition of subsidiaries	261,777	-
Decrease (increase) in other non-current assets	5,172	(13,959)
Interest received	1,012,081	1,112,481
Dividends received	985,239	664,903
Net cash generated from (used in) investing activities	1,369,712	(4,729,330)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(2,805,788)	2,870,929
(Decrease) increase in short-term bills payable	(578,141)	1,087,923
Increase in long-term borrowings	5,176,186	2,459,671
Repayment of the principal portion of lease liabilities	(61,608)	(58,842)
Increase in other non-current liabilities	4,065	8,542
Cash dividends	(5,741,097)	(5,140,772)
Exercise of employee share options	177,256	237,580
Interest paid	(274,432)	(237,777)
Regain overdue dividends	49	34
Net cash (used in) generated from financing activities	(4,103,510)	1,227,288
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	(257,280)	177,694
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,942,393	1,294,192
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	13,206,169	9,687,937
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	\$ 17,148,562	\$ 10,982,129

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

(With Deloitte & Touche review report dated November 7, 2025)

(Concluded)

E INK HOLDINGS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

E Ink Holdings Inc. (the “Company”) was incorporated in June 1992 in the Hsinchu Science Park. The Company’s shares have been listed on the Taipei Exchange (TPEX) Mainboard since March 30, 2004. The Company mainly researches, develops, manufactures and sells electronic paper display panels.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the “Group”, are presented in New Taiwan dollars, the functional currency of the Company.

2. APPROVAL OF FINANCIAL STATEMENTS

The Group’s consolidated financial statements were approved by the Company’s board of directors on November 7, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Please refer to Note 13 and Tables 7 and 8 for detailed information on subsidiaries (including the percentages of ownership and main business).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Retirement 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 the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

For the summary of material accounting judgments and key sources of estimation uncertainty, refer to the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 1,809	\$ 1,296	\$ 944
Checking accounts and demand deposits	10,815,940	6,227,034	4,928,573
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	4,351,413	5,644,289	3,929,851
Repurchase agreements collateralized by notes	<u>1,979,400</u>	<u>1,333,550</u>	<u>2,122,761</u>
	<u>\$ 17,148,562</u>	<u>\$ 13,206,169</u>	<u>\$ 10,982,129</u>

The market rate intervals of demand deposits, time deposits and repurchase agreements collateralized by notes at the end of the reporting periods were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Demand deposits	0.002%-4.40%	0.002%-4.32%	0.01%-6.07%
Time deposits	0.30%-5.40%	1.55%-5.45%	1.55%-5.58%
Repurchase agreements collateralized by notes	4.25%-4.35%	1.45%-4.73%	1.40%-5.43%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 8,871	\$ -	\$ 102,028
Non-derivative financial assets			
Perpetual bonds	922,459	2,874,845	2,775,756
Foreign investment - listed stocks	-	-	116,478
Hybrid financial assets			
Structured finance products	-	-	560,807
	<u>\$ 931,330</u>	<u>\$ 2,874,845</u>	<u>\$ 3,555,069</u>

Financial assets - non-current

Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Mutual funds	\$ 1,594,298	\$ 1,547,429	\$ 1,540,570
Foreign investment - listed stocks	1,426,393	1,154,780	1,147,340
Perpetual bonds	795,153	226,617	223,913
Straight corporate bonds	286,153	305,646	304,693
Foreign investment - unlisted stocks	225,589	224,629	205,549
Hybrid financial assets			
Convertible preferred shares	120,816	170,957	175,289
	<u>\$ 4,448,402</u>	<u>\$ 3,630,058</u>	<u>\$ 3,597,354</u>

Financial liabilities - current

Held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 50,351	\$ 457,611	\$ 917

At the end of the reporting period, the outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>September 30, 2025</u>			
Sell	USD/KRW	2025.11-2026.06	USD90,000/KRW123,921,150
Sell	USD/NTD	2025.10-2026.04	USD126,000/NTD3,808,586
<u>December 31, 2024</u>			
Sell	USD/KRW	2025.02-2025.09	USD105,000/KRW142,449,150
Sell	USD/NTD	2025.01-2025.07	USD146,000/NTD4,549,758
<u>September 30, 2024</u>			
Sell	USD/KRW	2024.10-2025.06	USD70,000/KRW93,877,600
Sell	USD/NTD	2024.06-2025.07	USD134,000/NTD4,180,103

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Investments in debt instruments at FVTOCI	\$ 642,167	\$ 1,346,073	\$ 747,428
<u>Non-current</u>			
Investments in equity instruments at FVTOCI	\$ 35,904,310	\$ 25,514,449	\$ 24,596,773
Investments in debt instruments at FVTOCI	4,321,939	4,743,762	5,640,118
	\$ 40,226,249	\$ 30,258,211	\$ 30,236,891

a. Investments in equity instruments at FVTOCI

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments			
Listed shares and emerging market shares	\$ 19,300,142	\$ 14,781,809	\$ 14,667,568
Unlisted shares	49,589	52,386	52,500
	19,349,731	14,834,195	14,720,068
Foreign investments			
Listed shares	15,739,580	9,412,654	8,715,378
Unlisted shares	814,999	1,267,600	1,161,327
	16,554,579	10,680,254	9,876,705
	\$ 35,904,310	\$ 25,514,449	\$ 24,596,773

The Group holds the above investments in equity instruments for long-term strategic purposes and expects to gain profit through long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

b. Investments in debt instruments at FVTOCI

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Foreign investments			
Straight corporate bonds			
3-year	\$ -	\$ -	\$ 274,229
4-year	374,652	568,762	-
7-year	267,515	289,052	-
34.75-year	<u>-</u>	<u>488,259</u>	<u>473,199</u>
	<u>\$ 642,167</u>	<u>\$ 1,346,073</u>	<u>\$ 747,428</u>
Coupon rates	5.90%-7.34%	5.75%-7.34%	5.75%-7.78%
Effective interest rates	5.70%-6.45%	5.70%-8.49%	5.22%-6.47%
<u>Non-current</u>			
Foreign investments			
Straight corporate bonds			
4-year	\$ -	\$ -	\$ 554,611
5-year	269,685	291,633	288,547
6-year	-	773,424	765,977
7-year	-	-	283,118
10-year	1,318,408	952,794	952,332
10.5-year	270,106	286,991	281,116
11-year	737,284	671,621	673,489
30-year	949,349	961,547	989,619
31-year	270,363	279,783	287,600
40-year	251,416	262,240	282,872
60-year	<u>255,328</u>	<u>263,729</u>	<u>280,837</u>
	<u>\$ 4,321,939</u>	<u>\$ 4,743,762</u>	<u>\$ 5,640,118</u>
Coupon rates	3.10%-8.11%	3.10%-8.11%	3.10%-8.11%
Effective interest rates	2.00%-7.82%	2.00%-7.82%	2.00%-7.82%

Refer to Note 11 for information relating to the credit risk management and impairment assessment of investments in debt instruments at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months (a)	\$ 3,975,376	\$ 6,820,645	\$ 8,154,708
Foreign straight corporate bonds (d)	328,247	158,102	170,338
Pledged time deposits (b)	<u>40,507</u>	<u>38,136</u>	<u>68,749</u>
	<u>\$ 4,344,130</u>	<u>\$ 7,016,883</u>	<u>\$ 8,393,795</u>
<u>Non-current</u>			
Time deposits with original maturities of more than 1 year (c)	\$ -	\$ 327,843	\$ 1,041,692
Foreign straight corporate bonds (d)	65,715	406,531	437,959
Pledged time deposits (b)	<u>12,103</u>	<u>12,830</u>	<u>15,648</u>
	<u>\$ 77,818</u>	<u>\$ 747,204</u>	<u>\$ 1,495,299</u>

- a. The market rate intervals for time deposits with original maturities of more than 3 months were 1.29%-4.70%, 1.65%-6.00% and 1.95%-6.00% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- b. The market rate intervals for time deposits pledged as security were 0.67%-1.69% for all of on September 30, 2025, December 31, 2024 and September 30, 2024. Refer to Note 32 for information relating to investments in financial assets at amortized cost pledged as security.
- c. The market rate intervals for time deposits with original maturities of more than 1 year were 5.74% and 5.74%-5.85% per annum as of December 31, 2024 and September 30, 2024, respectively.
- d. The Group bought 10-year foreign corporate bonds in March 2022 with a coupon rate and an effective rate were 4.10%-4.90% for all on September 30, 2025, December 31, 2024 and September 30, 2024.
- e. Refer to Note 11 for information relating to the credit risk and impairment assessment of investments in financial assets at amortized cost.

10. ACCOUNTS RECEIVABLE

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	\$ 5,611,743	\$ 4,759,228	\$ 3,919,137
Less: Loss allowance	<u>(12,895)</u>	<u>(11,727)</u>	<u>(12,244)</u>
	<u>5,598,848</u>	<u>4,747,501</u>	<u>3,906,893</u>
Accounts receivable from related parties (Note 31)	1,246,925	30,522	55,258
Less: Loss allowance	<u>(18,892)</u>	<u>(20,345)</u>	<u>(19,640)</u>
	<u>1,228,033</u>	<u>10,177</u>	<u>35,618</u>
	<u>\$ 6,826,881</u>	<u>\$ 4,757,678</u>	<u>\$ 3,942,511</u>

The Group recognizes impairment loss when there is actual credit loss from an individual client. In addition, the Group recognizes impairment loss based on the rate of expected credit loss by reference to past default experience of the debtor, an analysis of the debtor's current financial position, general economic conditions of the industry in which the debtor operates and past due status.

The following table details the loss allowance for accounts receivables:

September 30, 2025

	Not Past Due	Past Due in 1-90 Days	Past Due over 90 Days	Total
Expected credit loss rate	0%	0%	100%	
Gross carrying amount	\$ 6,643,586	\$ 183,295	\$ 31,787	\$ 6,858,668
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>(31,787)</u>	<u>(31,787)</u>
Amortized cost	<u>\$ 6,643,586</u>	<u>\$ 183,295</u>	<u>\$ -</u>	<u>\$ 6,826,881</u>

December 31, 2024

	Not Past Due	Past Due in 1-90 Days	Past Due over 90 Days	Total
Expected credit loss rate	0%	0%	99%	
Gross carrying amount	\$ 4,755,371	\$ 2,055	\$ 32,324	\$ 4,789,750
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>(32,072)</u>	<u>(32,072)</u>
Amortized cost	<u>\$ 4,755,371</u>	<u>\$ 2,055</u>	<u>\$ 252</u>	<u>\$ 4,757,678</u>

September 30, 2024

	Not Past Due	Past Due in 1-90 Days	Past Due over 90 Days	Total
Expected credit loss rate	0%	0%	99%	
Gross carrying amount	\$ 3,891,896	\$ 50,345	\$ 32,154	\$ 3,974,395
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>(31,884)</u>	<u>(31,884)</u>
Amortized cost	<u>\$ 3,891,896</u>	<u>\$ 50,345</u>	<u>\$ 270</u>	<u>\$ 3,942,511</u>

The movements of the loss allowance were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 32,072	\$ 31,092
Net remeasurement of loss allowance	(124)	(16)
Amounts written off	(243)	-
Acquisitions through business combinations	1,947	-
Effects of foreign currency exchange differences	<u>(1,865)</u>	<u>808</u>
Balance on September 30	<u>\$ 31,787</u>	<u>\$ 31,884</u>

As of September 30, 2025, December 31, 2024 and September 30, 2024, the amount of individual client exceed 10% of the account balance were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Customer B	\$ 1,748,991	\$ 1,624,457	\$ 1,747,041
Customer A	1,157,321	963,509	476,352
Customer I	917,918	735,215	198,646
Customer E	798,045	761,383	619,516

11. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments of the Group in debt instruments classified as at FVTOCI and as at amortized cost were as follows:

September 30, 2025

	At FVTOCI	At Amortized Cost
Gross carrying amount	\$ 4,953,346	\$ 4,422,609
Less: Allowance for impairment loss	<u>(5,560)</u>	<u>(661)</u>
Amortized cost	4,947,786	<u>\$ 4,421,948</u>
Adjustment to fair value	<u>16,320</u>	
	<u>\$ 4,964,106</u>	

December 31, 2024

	At FVTOCI	At Amortized Cost
Gross carrying amount	\$ 6,246,965	\$ 7,765,063
Less: Allowance for impairment loss	<u>(6,340)</u>	<u>(976)</u>
Amortized cost	6,240,625	<u>\$ 7,764,087</u>
Adjustment to fair value	<u>(150,790)</u>	
	<u>\$ 6,089,835</u>	

September 30, 2024

	At FVTOCI	At Amortized Cost
Gross carrying amount	\$ 6,319,869	\$ 9,890,069
Less: Allowance for impairment loss	<u>(7,078)</u>	<u>(975)</u>
Amortized cost	6,312,791	<u>\$ 9,889,094</u>
Adjustment to fair value	<u>74,755</u>	
	<u>\$ 6,387,546</u>	

The Group only invests in debt instruments that meet or exceed the investment-grade standard and have low credit risk for impairment assessment, as provided by independent rating agencies. The Group continuously monitors external rating information to supervise changes in the credit risk of the invested debt instruments. Additionally, the Group reviews other information, such as the bond yield curve and significant news about the debtor, to evaluate whether there has been a significant increase in credit risk since the initial recognition of the debt instrument investment. This evaluation is critical to ensuring the Group's investments remain viable and profitable.

The Group considers historical default rates associated with each rating provided by external rating agencies, the current financial condition of debtors, and the future outlook of the industry when measuring the expected credit loss for debt instrument investments over the next 12 months or the expected credit loss over the investment's remaining period.

The Group's current credit risk grading mechanism is as follows:

Credit Rating	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and sufficient capability to meet contractual cash flows	12-month ECLs

The gross carrying amounts of debt instrument investments classified by credit category and the corresponding expected loss rates were as follows:

September 30, 2025

Credit Rating	Expected Loss Rate	Gross Carrying Amount	
		At FVTOCI	At Amortized Cost
Performing	0.05%-0.26%	<u>\$ 4,953,346</u>	<u>\$ 4,422,609</u>

December 31, 2024

Credit Rating	Expected Loss Rate	Gross Carrying Amount	
		At FVTOCI	At Amortized Cost
Performing	0.06%-0.27%	<u>\$ 6,246,965</u>	<u>\$ 7,765,063</u>

September 30, 2024

Credit Rating	Expected Loss Rate	Gross Carrying Amount	
		At FVTOCI	At Amortized Cost
Performing	0.06%-0.27%	<u>\$ 6,319,869</u>	<u>\$ 9,890,069</u>

- a. The movements of the allowance for impairment loss of investments in debt instruments at FVTOCI were as follows:

	<u>Credit Rating</u> <u>Performing</u> <u>(12-month</u> <u>ECLs)</u>
Balance on January 1, 2025	\$ 6,340
New financial assets purchased	766
Change in exchange rates or others	<u>(1,546)</u>
Balance on September 30, 2025	<u>\$ 5,560</u>
Balance on January 1, 2024	\$ 4,880
New financial assets purchased	2,755
Change in exchange rates or others	<u>(557)</u>
Balance on September 30, 2024	<u>\$ 7,078</u>

For the nine months ended September 30, 2025 and 2024, the Group's investment in foreign corporate bonds at FVTOCI increased by \$616,196 thousand and \$3,153,673 thousand, and correspondingly the loss allowance for investments rated as performing increased by \$766 thousand and \$2,755 thousand, respectively.

- b. The movements of the allowance for impairment loss of investments in debt instruments at amortized cost were as follows:

	<u>Credit Rating</u> <u>Performing</u> <u>(12-month</u> <u>ECLs)</u>
Balance on January 1, 2025	\$ 976
Change in exchange rates or others	<u>(315)</u>
Balance on September 30, 2025	<u>\$ 661</u>
Balance on January 1, 2024	\$ 1,102
Change in exchange rates or others	<u>(127)</u>
Balance on September 30, 2024	<u>\$ 975</u>

12. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Finished goods	\$ 553,288	\$ 954,717	\$ 972,221
Semi-finished goods	1,671,176	1,327,233	1,263,566
Work in progress	587,652	207,361	720,748
Raw materials	<u>1,180,205</u>	<u>1,032,464</u>	<u>1,059,926</u>
	<u>\$ 3,992,321</u>	<u>\$ 3,521,775</u>	<u>\$ 4,016,461</u>

The cost of inventories recognized as cost of goods sold for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 included reversal (write-downs) of inventories of \$(175,459) thousand, \$13,093 thousand, \$(88,164) thousand and \$(551) thousand, respectively.

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements are as follows:

Investor	Investee	Main Business	Proportion of Ownership (%)			Remark
			September 30, 2025	December 31, 2024	September 30, 2024	
E Ink Holdings Inc.	E Ink Technology B.V.	Investment	100.00	100.00	100.00	
	YuanHan Materials Inc.	Manufacture and sale of chemical materials and optical films	100.00	100.00	100.00	
	New Field e-Paper Co., Ltd.	Investment	100.00	100.00	100.00	
	Dream Universe Ltd.	Trading	100.00	100.00	100.00	
	Prime View Communications Ltd.	Trading	100.00	100.00	100.00	
	Linfinity Corporation	Research, development and sale of electronic paper products	23.00	23.00	23.00	
	E Ink Japan Inc.	Development of electronic paper products	100.00	100.00	100.00	
YuanHan Materials Inc.	Integrated Solutions Technology, Inc.	Technical services and trading business of integrated circuits and electronic circuit application design, etc.	25.93	-	-	b.
	Linfinity Corporation	Research, development and sale of electronic paper products	77.00	77.00	77.00	
	Integrated Solutions Technology, Inc.	Technical services and trading business of integrated circuits and electronic circuit application design, etc.	8.89	-	-	b.
Linfinity Corporation	Linfinity Japan Inc.	Research, development and sale of electronic paper products	100.00	100.00	100.00	
Integrated Solutions Technology, Inc.	Integrated Solutions Technology (Shenzhen) Co., Ltd.	Technical support and after-sales services.	100.00	100.00	100.00	b.
E Ink Technology B.V.	PVI International Corp.	Trading	100.00	100.00	100.00	
	Ruby Lustre Ltd.	Investment	100.00	100.00	100.00	
	E Ink Netherlands B.V.	Investment	100.00	100.00	100.00	
PVI International Corp.	Transyork Technology Yangzhou Ltd.	Assembly and sale of display panels	55.61	55.61	55.61	
	Transcend Optonics (Yangzhou) Co., Ltd.	Research, assembly and sale of display panels	100.00	100.00	100.00	
	Rich Optonics (Yangzhou) Co., Ltd.	Assembly and sale of display panels	-	100.00	100.00	a.
E Ink Netherlands B.V.	Hydis Technologies Co., Ltd.	Patent licensing and investment in financial instruments	94.73	94.73	94.73	
	E Ink Corporation	Research, development and manufacture of electronic inks	100.00	100.00	100.00	
Transcend Optonics (Yangzhou) Co., Ltd.	Transyork Technology Yangzhou Ltd.	Assembly and sale of display panels	44.39	44.39	44.39	

- a. The Group resolved to liquidate its subsidiary Rich Optonics (Yangzhou) Co., Ltd. in November 2024. and the liquidation process was completed in August 2025.
- b. After the re-election of directors in the shareholders' meeting of Integrated Solutions Technology, Inc. on June 19, 2025, the Group has taken three seats on the board of directors and the Group representative was elected as chairman. The Group evaluates that it has substantial control over it. Therefore, it has been included in the Group's consolidated financial statements starting from June 2025.

Subsidiaries included in the consolidated financial statements for the nine months ended September 30, 2025 and 2024, were calculated based on the financial statements that have been reviewed, except for Linfiny Corporation, Linfiny Japan Inc., E Ink Japan Inc., Dream Universe Limited and Ruby Lustre Ltd., and for Integrated Solutions Technology, Inc. and Integrated Solutions Technology (Shenzhen) Co., Ltd. for the nine months ended September 30, 2025, which calculated based on the financial statements that have not been reviewed.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2025	December 31, 2024	September 30, 2024
Associates and joint ventures that are not individually material			
Investments in associates	\$ 15	\$ 186,143	\$ 183,049
Investments in joint ventures	<u>178,562</u>	<u>169,929</u>	<u>158,198</u>
	<u>\$ 178,577</u>	<u>\$ 356,072</u>	<u>\$ 341,247</u>

Refer to Tables 7 and 8 for the nature of activities, principal place of business and country of incorporation of the associates.

Aggregate Information of Associates and Joint Ventures That Are Not Individually Material

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
The Group's share of:				
Net gain (loss) for the period	\$ 8,211	\$ 8,625	\$ 15,562	\$ (52,208)
Other comprehensive gain (loss)	<u>7,246</u>	<u>12,301</u>	<u>(11,386)</u>	<u>35,766</u>
Total comprehensive income (loss)	<u>\$ 15,457</u>	<u>\$ 20,926</u>	<u>\$ 4,176</u>	<u>\$ (16,442)</u>

In January 2022, the subsidiary YuanHan Materials Inc. converted the convertible bonds of Nuclera Limited (originally named Nuclera Nucleics Ltd.) to equity and participated in its cash capital increase with \$55,470 thousand (US\$2,000 thousand). As a result of the conversion, YuanHan Materials Inc. and E Ink Corporation jointly owned 23.29% of the shares of Nuclera Limited. In 2024, the Group did not participate in the cash capital increase of Nuclera Limited in proportion to its shareholding, resulting in a reduction of the Group's shareholding in Nuclera Limited to 11.99%; the Group ceased to have significant influence over Nuclera Limited. Therefore, the investment in Nuclera Limited was classified as financial assets at FVTOCI starting August 2024.

As detailed in Note 13, in June 2025, the Group reclassified Integrated Solutions Technology, Inc. from investments accounted for using the equity method to a subsidiary due to the acquisition of substantial control. The previously held equity interest was deemed disposed of and remeasured at its fair value on the date control was obtained, resulting in a recognized gain on disposal of investment amounting to \$662,409 thousand. Furthermore, the amount previously recognized in other comprehensive income, along with the net change in equity of associates recorded under capital surplus - equity method, totaling \$1,471 thousand, was entirely reclassified to gain on disposal of investment.

The share of profit or loss and other comprehensive income (loss) of associates and joint ventures that are not individually material were based on unreviewed financial statements.

15. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Cost</u>						
Balance on January 1, 2024	\$ 490,340	\$ 6,121,421	\$ 8,529,395	\$ 3,561,449	\$ 2,733,592	\$ 21,436,197
Additions	-	82,775	13,811	34,650	2,188,478	2,319,714
Disposals	-	-	(93,549)	(23,459)	-	(117,008)
Reclassifications	7,134	1,066,776	224,425	88,827	(1,402,534)	(15,372)
Effects of foreign currency exchange differences	<u>15,006</u>	<u>158,860</u>	<u>113,811</u>	<u>55,637</u>	<u>34,888</u>	<u>378,202</u>
Balance on September 30, 2024	<u>\$ 512,480</u>	<u>\$ 7,429,832</u>	<u>\$ 8,787,893</u>	<u>\$ 3,717,104</u>	<u>\$ 3,554,424</u>	<u>\$ 24,001,733</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2024	\$ -	\$ 3,317,052	\$ 6,271,021	\$ 2,698,291	\$ -	\$ 12,286,364
Depreciation expenses	-	234,194	478,253	224,485	-	936,932
Disposals	-	-	(76,145)	(23,301)	-	(99,446)
Reclassifications	-	-	592	(260)	-	332
Effects of foreign currency exchange differences	<u>-</u>	<u>81,652</u>	<u>78,022</u>	<u>48,379</u>	<u>-</u>	<u>208,053</u>
Balance on September 30, 2024	<u>\$ -</u>	<u>\$ 3,632,898</u>	<u>\$ 6,751,743</u>	<u>\$ 2,947,594</u>	<u>\$ -</u>	<u>\$ 13,332,235</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 490,340</u>	<u>\$ 2,804,369</u>	<u>\$ 2,258,374</u>	<u>\$ 863,158</u>	<u>\$ 2,733,592</u>	<u>\$ 9,149,833</u>
Carrying amount at September 30, 2024	<u>\$ 512,480</u>	<u>\$ 3,796,934</u>	<u>\$ 2,036,150</u>	<u>\$ 769,510</u>	<u>\$ 3,554,424</u>	<u>\$ 10,669,498</u>
<u>Cost</u>						
Balance on January 1, 2025	\$ 530,858	\$ 7,560,633	\$ 9,198,069	\$ 3,848,866	\$ 3,729,150	\$ 24,867,576
Additions	-	7,651	75,381	46,663	2,054,855	2,184,550
Disposals	-	-	(20,149)	(24,004)	(39,066)	(83,219)
Acquisitions through business combinations	-	-	7,839	46,127	28,722	82,688
Reclassifications	-	274,264	1,292,899	225,274	(1,796,989)	(4,552)
Effects of foreign currency exchange differences	<u>(37,890)</u>	<u>(341,027)</u>	<u>(254,331)</u>	<u>(102,281)</u>	<u>(141,752)</u>	<u>(877,281)</u>
Balance on September 30, 2025	<u>\$ 492,968</u>	<u>\$ 7,501,521</u>	<u>\$ 10,299,708</u>	<u>\$ 4,040,645</u>	<u>\$ 3,834,920</u>	<u>\$ 26,169,762</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2025	\$ -	\$ 3,785,617	\$ 6,864,071	\$ 3,041,383	\$ -	\$ 13,691,071
Depreciation expenses	-	278,952	615,552	224,393	-	1,118,897
Impairment gain recognized	-	-	(54)	-	-	(54)
Acquisitions through business combinations	-	-	2,959	33,450	-	36,409
Disposals	-	-	(10,865)	(23,790)	-	(34,655)
Effects of foreign currency exchange differences	<u>-</u>	<u>(189,142)</u>	<u>(168,852)</u>	<u>(88,714)</u>	<u>-</u>	<u>(446,705)</u>
Balance on September 30, 2025	<u>\$ -</u>	<u>\$ 3,875,427</u>	<u>\$ 7,302,811</u>	<u>\$ 3,186,722</u>	<u>\$ -</u>	<u>\$ 14,364,960</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 530,858</u>	<u>\$ 3,775,016</u>	<u>\$ 2,333,998</u>	<u>\$ 807,483</u>	<u>\$ 3,729,150</u>	<u>\$ 11,176,505</u>
Carrying amount at September 30, 2025	<u>\$ 492,968</u>	<u>\$ 3,626,094</u>	<u>\$ 2,996,897</u>	<u>\$ 853,923</u>	<u>\$ 3,834,920</u>	<u>\$ 11,804,802</u>

Information about capitalized interest were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Capitalized interest	\$ <u>6,614</u>	\$ <u>6,813</u>	\$ <u>23,347</u>	\$ <u>21,102</u>
Capitalization rate intervals	1.77%-1.87%	1.75%-1.87%	1.77%-2.09%	1.29%-1.87%

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20-56 years
Clean rooms and plumbing construction	25-30 years
Employee dormitories	20 years
Others	2-20 years
Machinery	2-11 years
Other equipment	2-26 years

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Land	\$ 732,542	\$ 790,790	\$ 801,703
Buildings	150,865	196,252	178,371
Other equipment	<u>906</u>	<u>1,537</u>	<u>2,042</u>
	<u>\$ 884,313</u>	<u>\$ 988,579</u>	<u>\$ 982,116</u>
	For the Three Months Ended September 30		For the Nine Months Ended September 30
	2025	2024	2025
			2024
Additions to right-of-use assets			<u>\$ 3,425</u>
			<u>\$ 2,582</u>
Depreciation charge for right-of-use assets			
Land	\$ 11,012	\$ 10,913	\$ 33,036
Buildings	11,204	10,913	34,464
Other equipment	<u>670</u>	<u>505</u>	<u>1,591</u>
	<u>\$ 22,886</u>	<u>\$ 22,331</u>	<u>\$ 69,091</u>
			<u>\$ 68,750</u>

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2025 and 2024.

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Current (included in other current liabilities)	<u>\$ 82,063</u>	<u>\$ 85,090</u>	<u>\$ 74,047</u>
Non-current	<u>\$ 864,268</u>	<u>\$ 955,725</u>	<u>\$ 957,691</u>

Discount rate intervals for lease liabilities are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	0.58%-4.92%	0.58%-4.92%	0.58%-4.92%
Buildings	1.50%-5.10%	1.50%-5.10%	1.50%-5.10%
Other equipment	1.50%-3.64%	1.50%-2.50%	1.50%-2.50%

c. Material lease-in activities and terms

The Group leased certain land in the Hsinchu Science Park from the Hsinchu Science Park Bureau of the Ministry of Science and Technology from July 1, 2014 to December 31, 2033. The rental amount is calculated on the basis of the mutual agreement. The lessor may adjust the rent at any time on the basis of changes in announced land values and related laws and regulations. At the end of the lease terms, the Group has renewal options if the Group does not violate the lease agreements during the rental period.

The Group also leased certain land and buildings as its plants and offices, with a lease term of 2 to 20 years. Among them, some land lease agreements include annual adjustments of lease payments based on the percentage increase in announced land values, with the right of preemption to purchase upon lease expiration. The lease contracts for land and buildings in the United States contain extension options and rights of preemption to purchase, which provide more operational flexibility for the Group. These terms are not reflected in measuring lease liabilities if the options are not reasonably certain to be exercised.

The Group is prohibited from subleasing or transferring all or any portion of the underlying assets, changing their use, or using them illegally.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 5,782</u>	<u>\$ 13,349</u>	<u>\$ 19,241</u>	<u>\$ 40,667</u>
Expenses relating to low-value asset leases	<u>\$ 86</u>	<u>\$ 109</u>	<u>\$ 289</u>	<u>\$ 322</u>
Total cash outflow for leases			<u>\$ 100,701</u>	<u>\$ 121,857</u>

The Group's leases of other equipment qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Patents	Others	Total
Balance on January 1, 2024	\$ 7,134,748	\$ 418,100	\$ 54,609	\$ 7,607,457
Additions	-	10,172	9,085	19,257
Disposals	-	(193)	-	(193)
Amortization expenses	-	(54,584)	(32,091)	(86,675)
Reclassifications	-	-	15,211	15,211
Effects of foreign currency exchange differences	<u>196,121</u>	<u>8,783</u>	<u>2,321</u>	<u>207,225</u>
Balance on September 30, 2024	<u>\$ 7,330,869</u>	<u>\$ 382,278</u>	<u>\$ 49,135</u>	<u>\$ 7,762,282</u>
Balance on January 1, 2025	\$ 7,566,421	\$ 373,330	\$ 45,243	\$ 7,984,994
Additions	-	6,402	5,958	12,360
Acquisitions through business combinations (Note 27)	603,921	-	176,582	780,503
Disposals	-	(232)	-	(232)
Amortization expenses	-	(53,052)	(23,317)	(76,369)
Reclassifications	-	-	1,600	1,600
Effects of foreign currency exchange differences	<u>(485,632)</u>	<u>(16,423)</u>	<u>(1,420)</u>	<u>(503,475)</u>
Balance on September 30, 2025	<u>\$ 7,684,710</u>	<u>\$ 310,025</u>	<u>\$ 204,646</u>	<u>\$ 8,199,381</u>

The Group recognized goodwill in acquiring the patented technologies of electronic ink and electronic paper, which are mainly used in researching and manufacturing consumer electronics and Internet of Things applications. The carrying amount of goodwill was allocated to the cash-generating units of these two products, and the recoverable amount of each cash-generating unit was determined based on a value in use calculation. The recoverable amount was determined by management based on financial budgets covering a 5-year period and discount rates per annum for the years ended December 31, 2024 and 2023, respectively. The cash flows beyond that 5-year period have been extrapolated using a steady annual growth rate. Other key assumptions included budgeted revenue and budgeted gross profit. Such assumptions were based on the past performance of the cash-generating unit and management's expectations of market development.

Discount rates per annum were as follows:

	For the Year Ended December 31	
	2024	2023
Consumer electronics	13.48%	13.91%
Internet of things applications	14.04%	14.10%

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Patents	6-20 years
Others	1-14.5 years

18. BORROWINGS

a. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured borrowings	\$ 4,464,112	\$ 7,270,000	\$ 7,250,000
Interest rate intervals	1.89%-2.05%	1.88%-2.22%	1.78%-2.03%

b. Short-term bills payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper	\$ 3,722,000	\$ 4,302,000	\$ 6,060,000
Less: Discounts on bills payable	<u>(1,583)</u>	<u>(3,442)</u>	<u>(6,224)</u>
	<u>\$ 3,720,417</u>	<u>\$ 4,298,558</u>	<u>\$ 6,053,776</u>
Interest rate intervals	1.59%-1.87%	1.61%-1.93%	1.56%-1.89%

c. Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Syndicated loans	\$ 8,989,840	\$ 4,888,004	\$ 4,895,512
Unsecured borrowings	4,407,736	3,333,386	3,185,774
Less: Listed as current portion	<u>(363,736)</u>	<u>(494,386)</u>	<u>(128,030)</u>
	<u>\$ 13,033,840</u>	<u>\$ 7,727,004</u>	<u>\$ 7,953,256</u>
Interest rate intervals	1.53%-2.09%	1.43%-2.21%	1.43%-2.18%

Long-term unsecured borrowings will expire in October 2030, and interests are repaid on a monthly basis.

To enrich medium-term working capital, the Group entered into a Green Loan Agreement with a syndicate of two banks led by Crédit Agricole Bank and Investment Bank on September 11, 2024, with a total credit facility of \$3,000,000 thousand. The loan term is within 3 years from the first drawdown date (September 2024). Additionally, the Group entered into a syndicated loan agreement with a syndicate seventeen banks led by Mega International Commercial Bank Co., Ltd. on November 8, 2024, with a total credit facility of \$12,000,000 thousand. The loan term is within 5 years from the first drawdown date. As of September 30, 2025, December 31, 2024 and September 30, 2024, the drawdown status of the syndicated loans was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Mega Bank	\$ 6,000,000	\$ 3,400,000	\$ 3,400,000
Crédit Agricole CIB	<u>3,000,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
	<u>\$ 9,000,000</u>	<u>\$ 4,900,000</u>	<u>\$ 4,900,000</u>

The Group promises that during the credit period, its semi-annual reviewed current ratio shall not be less than 100%, debt ratio shall not exceed 200%, interest coverage ratio shall not be less than 5 times, and tangible net worth shall not be less than \$15,000,000 thousand. The Group should meet certain financial ratios based on audited consolidated annual financial statements and reviewed consolidated financial statements for the six months.

19. OTHER PAYABLES

	September 30, 2025	December 31, 2024	September 30, 2024
Payables for salaries or bonuses	\$ 2,635,588	\$ 2,286,204	\$ 2,321,929
Payables for construction and equipment	240,894	433,009	299,889
Payables for professional service fees	80,493	71,405	72,255
Payables for utilities	50,461	24,054	30,872
Payables for labors and health insurances	18,988	29,172	29,528
Payables for pensions	14,201	26,388	19,772
Others	<u>638,998</u>	<u>746,384</u>	<u>467,652</u>
	<u>\$ 3,679,623</u>	<u>\$ 3,616,616</u>	<u>\$ 3,241,897</u>

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and its subsidiary, YuanHan Materials Inc., adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, each entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in China are members of a state-managed retirement benefit plan operated by the government of China.

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The defined benefit plan adopted by Hydix Technologies Co., Ltd. in accordance with the law is operated by the government of South Korea.

Employee benefit expenses in respect of the Group's defined benefit retirement plans were \$1,102 thousand, \$2,856 thousand, \$5,413 thousand and \$9,125 thousand for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively, which were calculated using the actuarially determined pension cost rate as of December 31, 2024 and 2023, respectively.

21. EQUITY

a. Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousands)	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Amount of shares authorized	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>1,150,476</u>	<u>1,145,916</u>	<u>1,144,898</u>
Amount of shares issued	<u>\$ 11,504,763</u>	<u>\$ 11,459,163</u>	<u>\$ 11,448,981</u>

For the nine months ended September 30, 2025 and December 31, 2024, the Company's employees exercised their rights under the ESOP to purchase 4,560 thousand shares and 4,813 thousand shares of the Company's ordinary shares, respectively. The changes of registration were completed before September 30, 2025 and December 31, 2024, respectively.

For the three months ended September 30, 2025, June 30, 2025, March 31, 2025, December 31, 2024 and September 30, 2024, the Group's employees exercised their rights under the ESOP to purchase 407 thousand shares, 582 thousand shares, 1,675 thousand shares, 2,303 thousand shares and 1,018 thousand shares of the Group's ordinary shares, generating total proceeds of \$28,011 thousand, \$38,253 thousand, \$110,992 thousand, \$152,064 thousand and \$70,013 thousand, respectively. The effective dates for these transactions are set for November 17, 2025, August 18, 2025, May 12, 2025, March 6, 2025 and November 18, 2024, respectively. They are recorded as advance receipts for shares.

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)			
Issuance of shares	\$ 10,258,570	\$ 9,928,722	\$ 9,853,867
Conversion of bonds	525,200	525,200	525,200
Treasury share transactions	260,084	260,084	260,084
Expired employee share options	57,477	57,477	57,477
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	684	-	-
Changes in percentage of ownership interests in associates (3)	9,104	10,354	9,730

(Continued)

	September 30, 2025	December 31, 2024	September 30, 2024
Unclaimed dividends extinguished by prescription	\$ 178	\$ 129	\$ 129
<u>May not be used for any purpose</u>			
Employee share options	<u>396,567</u>	<u>188,814</u>	<u>190,258</u>
	<u>\$ 11,507,864</u>	<u>\$ 10,970,780</u>	<u>\$ 10,896,745</u>
			(Concluded)

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).
- 2) Such capital surplus arises from the effect of changes in ownership interest in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.
- 3) Such capital surplus arises from the effect of changes in ownership interest in associates resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of associates accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's amended Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with at least 50% of any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors after the amendment, refer to Note 23.

The Company's Articles of Incorporation also stipulate a dividends policy that allows previous accumulated undistributed earnings to be distributed. The distribution of dividends to shareholders is allowed to be in cash or by the issuance of shares. In principle, cash dividends should be at least 10% of the total dividends distributed.

The shareholders of the Company held their regular meeting on June 18, 2019 and in that meeting, resolved the amendments to the Company's Articles of Incorporation. The amendments explicitly stipulate that the board of directors are authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholder's meeting.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficits and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs” should be appropriated to or reversed from a special reserve by the Company.

The appropriations of earnings for 2024 and 2023 were as follows:

	For the Year Ended December 31	
	2024	2023
Legal reserve	\$ 918,052	\$ 800,566
Cash dividends	\$ 5,741,097	\$ 5,140,772
Dividends per share (NT\$)	\$ 5.0	\$ 4.5

The above appropriations for cash dividends were resolved by the Company’s board of directors on February 21, 2025 and February 23, 2024; the other proposed appropriations for 2025 and 2024 were resolved by the shareholders in their meetings on May 28, 2025 and May 29, 2024, respectively.

d. Special reserve

	For the Nine Months Ended September 30	
	2025	2024
Balance at the beginning and the end of the period	\$ 70,678	\$ 70,678

If a special reserve of \$70,678 thousand appropriated on the first-time adoption of International Financial Reporting Standards (IFRS) relates to the exchange differences on translating the financial statements of foreign operations, the special reserve will be reversed proportionately on the Company’s disposal of the foreign operations; on the Company’s loss of significant influence; however, the entire special reserve will be reversed. An additional special reserve should be appropriated for the amount equal to the difference between the net debit balance of the reserves and the special reserve appropriated on the first-time adoption of International Financial Reporting Standards (IFRS). Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and may thereafter be distributed.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ (412,930)	\$ (1,189,487)
Recognized during the period		
Exchange differences on translating the financial statements of foreign operations	(2,204,762)	1,005,837
Share of associates and join ventures accounted for using the equity method	(11,386)	35,766
Reclassification adjustments		
Disposal of foreign operations	113,915	-
Share of associates accounted for using the equity method	381	40,931
Balance on September 30	\$ (2,514,782)	\$ (106,953)

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 10,147,026	\$ 7,023,979
Recognized during the period		
Unrealized gain (loss)		
Equity instruments	6,039,085	4,086,284
Debt instruments	144,210	117,496
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>(74,014)</u>	<u>(314,382)</u>
Balance on September 30	<u>\$ 16,256,307</u>	<u>\$ 10,913,377</u>

f. Non-controlling interests

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 689,341	\$ 640,651
Share of (loss) profit for the period	(1,079)	24,424
Other comprehensive income (loss) during the period		
Unrealized gain (loss) on financial assets at FVTOCI		
Equity instruments	64,541	36,371
Debt instruments	3,987	3,183
Exchange differences on translating the financial statements of foreign operations	(20,921)	12,060
Share-based payment	1,279	-
Increase in non-controlling interests arising from the acquisition of subsidiary	<u>444,370</u>	<u>-</u>
Balance on September 30	<u>\$ 1,181,518</u>	<u>\$ 716,689</u>

22. REVENUE

a. Revenue from contracts with customers

Type of Revenue	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue from sale of goods				
Internet of things applications	\$ 4,427,931	\$ 3,122,389	\$ 12,961,745	\$ 8,027,950
Consumer electronics	<u>5,987,165</u>	<u>6,066,801</u>	<u>16,138,310</u>	<u>14,459,914</u>
	<u>\$ 10,415,096</u>	<u>\$ 9,189,190</u>	<u>\$ 29,100,055</u>	<u>\$ 22,487,864</u>
Royalty income	<u>\$ 80,350</u>	<u>\$ 84,021</u>	<u>\$ 244,941</u>	<u>\$ 248,782</u>

b. Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Accounts receivable (Note 10)	\$ 6,826,881	\$ 4,757,678	\$ 3,942,511	\$ 2,717,486
Contract assets - current				
Royalty	\$ -	\$ 5,056	\$ -	\$ 15,883
Contract liabilities - current				
Royalty	\$ 143,203	\$ 59,958	\$ 151,030	\$ 70,799
Sale of goods	152,319	453,943	804,813	559,380
	<u>\$ 295,522</u>	<u>\$ 513,901</u>	<u>\$ 955,843</u>	<u>\$ 630,179</u>
Contract liabilities - non-current				
Royalty	\$ 4,593	\$ -	\$ -	\$ -

The changes in the balances of contract assets and contract liabilities primarily result from the timing difference between the satisfaction of performance obligation and the customer's payment. Revenue recognized for the period from the beginning balance of the contract liabilities was as follows:

Type of Revenue	For the Nine Months Ended September 30	
	2025	2024
Revenue from sale of goods	\$ 453,291	\$ 429,119
Royalty income	<u>59,956</u>	<u>65,331</u>
	<u>\$ 513,247</u>	<u>\$ 494,450</u>

23. NET INCOME

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposits	\$ 129,079	\$ 95,367	\$ 364,017	\$ 351,521
Financial assets at amortized cost	32,411	147,083	175,271	412,676
Financial assets at FVTPL	42,385	51,108	132,073	161,898
Financial assets at FVTOCI	69,745	81,833	228,446	188,203
Others	<u>321</u>	<u>56</u>	<u>1,255</u>	<u>166</u>
	<u>\$ 273,941</u>	<u>\$ 375,447</u>	<u>\$ 901,062</u>	<u>\$ 1,114,464</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Rental income	\$ 1,682	\$ 2,228	\$ 4,909	\$ 8,519
Government grants	339	364	1,056	1,092
Others	<u>15,442</u>	<u>5,777</u>	<u>50,686</u>	<u>36,381</u>
	<u>\$ 17,463</u>	<u>\$ 8,369</u>	<u>\$ 56,651</u>	<u>\$ 45,992</u>

c. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 397,634	\$ 324,561	\$ 1,118,897	\$ 936,932
Other intangible assets	28,399	26,178	76,369	86,675
Right-of-use assets	<u>22,886</u>	<u>22,331</u>	<u>69,091</u>	<u>68,750</u>
	<u>\$ 448,919</u>	<u>\$ 373,070</u>	<u>\$ 1,264,357</u>	<u>\$ 1,092,357</u>
An analysis of depreciation by function				
Operating costs	\$ 233,073	\$ 194,647	\$ 665,522	\$ 568,050
Operating expenses	<u>187,447</u>	<u>152,245</u>	<u>522,466</u>	<u>437,632</u>
	<u>\$ 420,520</u>	<u>\$ 346,892</u>	<u>\$ 1,187,988</u>	<u>\$ 1,005,682</u>
An analysis of amortization by function				
Operating costs	\$ 2,048	\$ 1,439	\$ 5,488	\$ 4,348
Operating expenses	<u>26,351</u>	<u>24,739</u>	<u>70,881</u>	<u>82,327</u>
	<u>\$ 28,399</u>	<u>\$ 26,178</u>	<u>\$ 76,369</u>	<u>\$ 86,675</u>

d. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Post-employment benefits (Note 20)				
Defined contribution plans	\$ 34,632	\$ 32,656	\$ 106,630	\$ 95,540
Defined benefit plans	<u>1,102</u>	<u>2,856</u>	<u>5,413</u>	<u>9,125</u>
	35,734	35,512	112,043	104,665
Share-based payments				
Equity-settled	138,309	23,127	283,855	45,997
Other employee benefits	<u>1,641,716</u>	<u>1,682,723</u>	<u>4,997,010</u>	<u>4,933,291</u>
Total employee benefits expense	<u>\$ 1,815,759</u>	<u>\$ 1,741,362</u>	<u>\$ 5,392,908</u>	<u>\$ 5,083,953</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
An analysis of employee benefits expense by function				
Operating costs	\$ 525,677	\$ 498,356	\$ 1,555,365	\$ 1,422,113
Operating expenses	<u>1,290,082</u>	<u>1,243,006</u>	<u>3,837,543</u>	<u>3,661,840</u>
	<u>\$ 1,815,759</u>	<u>\$ 1,741,362</u>	<u>\$ 5,392,908</u>	<u>\$ 5,083,953</u>
				(Concluded)

e. Employees' compensation and remuneration of directors

According to the Articles of Incorporation of the Company, the Company accrued employees' compensation at the rates of no less than 1% as well as remuneration of directors at the rates of no higher than 1%, respectively, of net income before income tax, employees' compensation and remuneration of directors, net of accumulated deficit, if any. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of 0.1% of the annual compensation of employees as compensation distributions for non-executive employees. The estimated employees' compensation (including non-executive employees) and remuneration of directors for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Employees' compensation	<u>\$ 49,230</u>	<u>\$ 28,975</u>	<u>\$ 113,340</u>	<u>\$ 86,925</u>
Remuneration of directors	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate in the following year.

The employees' compensation and remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on February 21, 2025 and February 23, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
Employees' compensation	<u>\$ 103,000</u>	<u>\$ 88,990</u>
Remuneration of directors	<u>\$ 40,000</u>	<u>\$ 35,900</u>

There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAXES

- a. Major components of income tax expense recognized in profit or loss:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 955,013	\$ 717,718	\$ 2,726,927	\$ 1,744,593
Income tax on unappropriated earnings	-	43,898	126,069	90,769
Adjustments for the prior years	<u>(17,475)</u>	<u>(259)</u>	<u>(251,241)</u>	<u>(66,515)</u>
	<u>937,538</u>	<u>761,357</u>	<u>2,601,755</u>	<u>1,768,847</u>
Deferred tax				
In respect of the current period	18,414	(241,174)	(602,930)	(508,502)
Adjustments for the prior years	<u>7</u>	<u>-</u>	<u>(4,079)</u>	<u>4,057</u>
	<u>18,421</u>	<u>(241,174)</u>	<u>(607,009)</u>	<u>(504,445)</u>
Income tax expense recognized in profit or loss	<u>\$ 955,959</u>	<u>\$ 520,183</u>	<u>\$ 1,994,746</u>	<u>\$ 1,264,402</u>

The Group's current tax expense related to Pillar Two income taxes was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax expense related to Pillar Two income taxes	<u>\$ 7,500</u>	<u>\$ 30,000</u>	<u>\$ 52,500</u>	<u>\$ 100,000</u>

- b. Income tax recognized directly in equity

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
Disposal of investments in equity instruments at FVTOCI	<u>\$ 20,644</u>	<u>\$ 54,813</u>	<u>\$ 20,644</u>	<u>\$ 87,688</u>
Deferred tax				
Disposal of investments in equity instruments at FVTOCI	<u>\$ (20,644)</u>	<u>\$ (54,813)</u>	<u>\$ (20,644)</u>	<u>\$ (87,688)</u>

c. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
<u>Deferred tax</u>				
In respect of the current period				
Fair value changes of				
financial assets at				
FVTOCI				
Equity instruments	\$ 146,654	\$ 248,153	\$ 1,087,799	\$ 576,858
Debt instruments	<u>6,347</u>	<u>23,233</u>	<u>18,913</u>	<u>19,922</u>
	<u>\$ 153,001</u>	<u>\$ 271,386</u>	<u>\$ 1,106,712</u>	<u>\$ 596,780</u>

d. Income tax assessments

Income tax assessments of the Group were as follows:

<u>Company</u>	<u>Latest Assessment Year</u>
The Company	2021
YuanHan Materials Inc.	2022
New Field e-Paper Co., Ltd.	2023
Linfiny Corporation	2023
Integrated Solutions Technology, Inc.	2023

25. EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Basic earnings per share (NT\$)	<u>\$ 3.67</u>	<u>\$ 1.75</u>	<u>\$ 8.17</u>	<u>\$ 4.67</u>
Diluted earnings per share (NT\$)	<u>\$ 3.65</u>	<u>\$ 1.74</u>	<u>\$ 8.12</u>	<u>\$ 4.63</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Income for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Net income for the period				
attributable to owners of the				
Company	<u>\$ 4,227,717</u>	<u>\$ 2,005,429</u>	<u>\$ 9,396,361</u>	<u>\$ 5,346,132</u>

Number of Shares

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares (in thousands) used in the computation of basic earnings per share	1,150,610	1,145,204	1,149,726	1,144,132
Effect of potentially dilutive ordinary shares (in thousands)				
Employees' compensation	352	297	421	370
Share-based payment arrangements	<u>6,429</u>	<u>10,311</u>	<u>7,235</u>	<u>10,784</u>
Weighted average number of ordinary shares (in thousands) used in the computation of diluted earnings per share	<u>1,157,391</u>	<u>1,155,812</u>	<u>1,157,382</u>	<u>1,155,286</u>

The Group may settle compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Options Plan

To attract and retain the professional talents needed by the Company, improve the employees' cohesion and sense of belonging to the Company, and jointly create the interests of the Company and shareholders, the board of directors of the Company resolved to issue 20,000, 10,000 and 10,000 units of employee share options, the total is 40,000 units in May 2023, May 2021 and December 2020, respectively. Each option entitles the holder to subscribe to 1,000 ordinary shares. The eligible participants in share options are the full-time employees of the Company and subsidiaries. The duration of the share options is 6 years that will expire on March 31, 2031, October 3, 2027 and August 10, 2027, respectively.

Information about employee share options issued was as follows:

Share Options Grant Period	Percentage Exercisable (%) (Cumulative)
Over 2 years	40
Over 3 years	70
Over 4 years	100

	For the Nine Months Ended September 30			
	2025		2024	
	Number of Options (In Thousands of Units)	Weighted Average Exercise Price (NT\$)	Number of Options (In Thousands of Units)	Weighted Average Exercise Price (NT\$)
Employee Share Options				
Balance on January 1	11,240	\$63.71-262.5	17,266	\$65.15-77.2
Options granted	20,000		-	
Options exercised	(2,664)		(3,523)	
Options forfeited	<u>(61)</u>		<u>(138)</u>	
Balance on September 30	<u>28,515</u>		<u>13,605</u>	

The Company used the Black-Scholes-Merton option evaluation model. The inputs to the models were as follows:

	April 2025	October 2021	August 2021
Grant date share price (NT\$)	\$268.50	\$69.0	\$77.2
Exercise price (NT\$)	\$268.50	\$69.0	\$77.2
Expected volatility	39.74%-47.43%	40.28%-42.73%	40.50%-43.77%
Expected life	2-4 year	2-4 year	2-4 year
Expected dividend yield	-	3.77%	3.77%
Risk-free interest rate	1.319%-1.477%	0.760%-0.765%	0.760%-0.765%
Weighted-average fair value of options granted (NT\$)	\$62.2-\$102.9	\$13.2-\$17.2	\$14.7-\$19.8

The Company has an exercise price adjustment formula for the changes in ordinary shares, and the exercise price of the stock warrants granted were adjusted from \$72.9 to \$71.29, \$65.15 to \$63.71 and from \$268.5 to \$262.5, effective from July 31, 2025, which serves as the ex-dividend date.

Compensation costs was recognized of \$138,309 thousand, \$23,127 thousand, \$283,855 thousand and \$45,997 thousand for three months ended September 30, 2025 and 2024 and for nine months ended September 30, 2025 and 2024, respectively.

27. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Integrated Solutions Technology, Inc.	Technical services and trading business of integrated circuits and electronic circuit application design, etc.	June 19, 2025	34.82	\$ <u> -</u>

b. Assets acquired and liabilities assumed at the date of acquisition

**Integrated
Solutions
Technology, Inc.**

Current assets	
Cash and cash equivalents	\$ 261,777
Financial assets at amortized cost	182,500
Trade and other receivables	68,810
Inventories	88,596
Other current assets	6,744
Non-current assets	
Property, plant and equipment	46,279
Other intangible assets	176,582
Right-of-use assets	3,237
Other non-current assets	26,567
Current liabilities	
Trade and other payables	(148,912)
Other current liabilities	(21,881)
Non-current liabilities	
Other non-current liabilities	<u>(8,505)</u>
	<u>\$ 681,794</u>

The initial accounting for the acquisition of Integrated Solutions Technology, Inc. was only provisionally determined at the end of the period.

c. Goodwill recognized on acquisitions

**Integrated
Solutions
Technology, Inc.**

Consideration transferred	\$ -
Plus: Non-controlling interests (65.18% in Integrated Solutions Technology, Inc.)	444,370
Plus: Fair value of the previously held equity interest on the acquisition date	841,345
Less: Fair value of identifiable net assets acquired	<u>(681,794)</u>
Goodwill recognized on acquisitions	<u>\$ 603,921</u>

The total amount of acquired goodwill is not tax-deductible.

d. Net cash inflow from acquisition of subsidiaries

**Integrated
Solutions
Technology, Inc.**

Consideration paid in cash	\$ -
Less: Balance of cash and cash equivalents acquired	<u>(261,777)</u>
	<u>\$ (261,777)</u>

e. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Integrated Solutions Technology, Inc.
Revenue	<u>\$ 132,660</u>
Net gain (loss)	<u>\$ (10,717)</u>

The Group's revenue would have been \$29,397,431 thousand, and the profit would have been \$9,386,461 thousand for the nine months ended September 30, 2025. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, 2025, nor is it intended to be a projection of future results.

28. NON-CASH TRANSACTIONS

For the nine months ended September 30, 2025 and 2024, the Group entered into the following non-cash investing activities:

	For the Nine Months Ended September 30	
	2025	2024
Acquisition of property, plant and equipment		
Increase in property, plant and equipment	\$ 2,184,550	\$ 2,319,714
Decrease (increase) in payables for construction and equipment (included in other payables)	<u>186,611</u>	<u>(39,634)</u>
Net cash paid	<u>\$ 2,371,161</u>	<u>\$ 2,280,080</u>

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged in the future.

The Group's risk management committee reviews the capital structure on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. Based on the committee's recommendations, the Group expects to balance its capital structure through the payment of dividends, the issue of new shares and private ordinary shares or, the payment of old debt.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets				
Foreign exchange forward contracts	\$ -	\$ 8,871	\$ -	\$ 8,871
Non-derivative financial assets				
Mutual funds	548,865	-	1,045,433	1,594,298
Perpetual bonds	-	1,717,612	-	1,717,612
Straight corporate bonds	-	286,153	-	286,153
Foreign listed shares	1,426,393	-	-	1,426,393
Foreign unlisted shares	-	-	225,589	225,589
Hybrid financial assets				
Convertible preferred shares	-	-	120,816	120,816
	<u>\$ 1,975,258</u>	<u>\$ 2,012,636</u>	<u>\$ 1,391,838</u>	<u>\$ 5,379,732</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic and overseas listed shares and emerging market shares	\$ 35,039,722	\$ -	\$ -	\$ 35,039,722
Domestic and overseas unlisted shares	-	-	864,588	864,588
Investment in debt instruments				
Overseas straight corporate bonds	-	4,964,106	-	4,964,106
	<u>\$ 35,039,722</u>	<u>\$ 4,964,106</u>	<u>\$ 864,588</u>	<u>\$ 40,868,416</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities				
Foreign exchange forward contracts	\$ -	\$ 50,351	\$ -	\$ 50,351

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Non-derivative financial assets				
Mutual funds	\$ 580,722	\$ -	\$ 966,707	\$ 1,547,429
Perpetual bonds	-	3,101,462	-	3,101,462
Straight corporate bonds	-	305,646	-	305,646
Foreign listed shares	1,154,780	-	-	1,154,780
Foreign unlisted shares	-	-	224,629	224,629
Hybrid financial assets				
Convertible preferred shares	-	-	170,957	170,957
	<u>\$ 1,735,502</u>	<u>\$ 3,407,108</u>	<u>\$ 1,362,293</u>	<u>\$ 6,504,903</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic and overseas listed shares and emerging market shares	\$ 24,194,463	\$ -	\$ -	\$ 24,194,463
Domestic and overseas unlisted shares	-	-	1,319,986	1,319,986
Investment in debt instruments				
Overseas straight corporate bonds	-	6,089,835	-	6,089,835
	<u>\$ 24,194,463</u>	<u>\$ 6,089,385</u>	<u>\$ 1,319,986</u>	<u>\$ 31,604,284</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities				
Foreign exchange forward contracts	\$ -	\$ 457,611	\$ -	\$ 457,611

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets				
Foreign exchange forward contracts	\$ -	\$ 102,028	\$ -	\$ 102,028
Non-derivative financial assets				
Mutual funds	607,071	-	933,499	1,540,570
Perpetual bonds	-	2,999,669	-	2,999,669
Straight corporate bonds	-	304,693	-	304,693
Foreign listed shares	1,263,818	-	-	1,263,818
Foreign unlisted shares	-	-	205,549	205,549
Hybrid financial assets				
Convertible preferred shares	-	-	175,289	175,289
Structured finance products	-	560,807	-	560,807
	<u>\$ 1,870,889</u>	<u>\$ 3,967,197</u>	<u>\$ 1,314,337</u>	<u>\$ 7,152,423</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic and overseas listed shares and emerging market shares	\$ 23,382,946	\$ -	\$ -	\$ 23,382,946
Domestic and overseas unlisted shares	-	-	1,213,827	1,213,827
Investment in debt instruments				
Overseas straight corporate bonds	-	6,387,546	-	6,387,546
	<u>\$ 23,382,946</u>	<u>\$ 6,387,546</u>	<u>\$ 1,213,827</u>	<u>\$ 30,984,319</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities				
Foreign exchange forward contracts	\$ -	\$ 917	\$ -	\$ 917

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 2,682,279	\$ 700,999
Recognized in profit or loss	(100,172)	(36,390)
Recognized in other comprehensive income (loss) (recognized in unrealized gain (loss) on financial assets at FVTOCI)	499,533	133,119
Purchased	144,000	1,048,942
Reclassifications (Note 1)	-	670,020
Disposal	-	(1,211)
Transfer out (Note 2)	(921,235)	-
Exchange differences on translating the financial statements of foreign operations	<u>(47,979)</u>	<u>12,685</u>
Balance on September 30	<u>\$ 2,256,426</u>	<u>\$ 2,528,164</u>

Note 1: In August 2024, the Group lost significant influence over its investments in Nuclera Limited, which had previously been accounted for using the equity method. Therefore, the investment in Nuclera Limited was reclassified as financial assets at FVTOCI.

Note 2: The overseas and domestic unlisted shares owned by the Group have been trading on the public market since March 2025 and have been transferred from Level 3 to Level 1 fair value measurement.

3) Valuation techniques and inputs applied for Level 2 fair value measurement

Derivatives - foreign exchange forward contracts were evaluated by the discounted cash flow method. Future cash flows are estimated based on observable forward exchange rates and contracted exchange rates at the end of the reporting period, discounted at a rate that reflects the credit risk of each counterparty.

Derivatives - structured finance products were determined by quoted market prices provided by the third party.

Non-derivatives - the fair value of perpetual bonds and straight corporate bonds was determined by quoted market prices provided by the third party.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

a) Domestic unlisted shares are assessed using the asset approach, based on the net assets of the investee company as reported in its most recent financial statements, overseas unlisted shares were evaluated by the market approach, referring to the market share prices and situations of companies with similar conditions or the prices of previous equity transactions. Unobservable input used by the Group was discount for lack of marketability, which was 11%-20%, 10%-20% and 10%-20% as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively. If the discount for lack of marketability increased by 1% while all other variables were held constant, the fair value would have decreased by \$4,767 thousand, \$9,559 thousand and \$5,566 thousand, respectively. As of September 30, 2025, December 31, 2024 and September 30, 2024, the unobservable inputs used by the Group were the valuation multiples of comparable companies at 0.71%. If the valuation multiple of comparable companies increases by 1%, while other inputs remain unchanged, the fair value would decrease by \$10,882 thousand, \$11,319 thousand and \$11,457 thousand, respectively.

- b) The fair value of convertible preferred shares was determined using the Binomial Option Pricing Model and Black-Scholes Model. The significant unobservable input used is share price volatility. The share price volatility used was 40.10%-54.27%, 37.56%-52.55% and 48.68% as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- c) The foreign private funds held by the Group were valued using the asset-based approach and were based on the net asset value measured at fair value.

b. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
FVTPL	\$ 5,379,732	\$ 6,504,903	\$ 7,152,423
Amortized cost (Note 1)	28,597,604	26,238,402	25,215,340
FVTOCI			
Equity instruments	35,904,310	25,514,449	24,596,773
Debt instruments	4,964,106	6,089,835	6,387,546
<u>Financial liabilities</u>			
FVTPL	50,351	457,611	917
Amortized cost (Note 2)	29,757,836	26,907,988	28,879,011

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, accounts receivable and other receivables.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, notes and accounts payable, other payables and long-term borrowings (include current portion).

c. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, accounts receivable, notes and accounts payable, borrowings and lease liabilities. The Group's Corporate Treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to foreign currency risk, interest rate risk and other price risk.

There have been no changes to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Company and its several subsidiaries had foreign-currency-denominated sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy by utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign-currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting periods are set out in Note 34.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar (USD).

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (NTD), Renminbi (RMB), Korean Won (KRW) against USD. The sensitivity analysis included only outstanding foreign-currency-denominated monetary items and adjusts their translation at the end of the reporting periods for a 1% change in foreign currency rates. For a 1% strengthening of NTD and RMB against USD, pre-tax income would increase (decrease) as follows:

	NTD to USD		RMB to USD	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Profit or loss	<u>\$ (136,953)</u>	<u>\$ (55,730)</u>	<u>\$ (27,855)</u>	<u>\$ (70,676)</u>
			KRW to USD	
			For the Nine Months Ended September 30	
			2025	2024
Profit or loss			<u>\$ (12,637)</u>	<u>\$ (10,792)</u>

b) Interest rate risk

The carrying amount of the Group's financial assets, financial liabilities and lease liabilities with exposure to interest rates at the end of the reporting periods were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
Financial assets	<u>\$ 10,752,761</u>	<u>\$ 14,741,926</u>	<u>\$ 15,941,706</u>
Financial liabilities	<u>\$ 21,582,105</u>	<u>\$ 19,789,948</u>	<u>\$ 21,385,062</u>
Lease liabilities	<u>\$ 946,331</u>	<u>\$ 1,040,815</u>	<u>\$ 1,031,738</u>
Cash flow interest rate risk			
Financial assets	<u>\$ 10,815,940</u>	<u>\$ 6,227,034</u>	<u>\$ 4,928,573</u>

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting periods. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represented management's assessment of the reasonably possible change in interest rates. The effective interest rates of floating rate financial assets and financial liabilities will change when the market rates change, which will result in fluctuations in future cash flows.

If interest rates had been 50 basis points higher, the Group's pre-tax cash inflows for the nine months ended September 30, 2025 and 2024, would increase by \$40,560 thousand and \$18,482 thousand, respectively, which was attributable to the Group's floating rate on its financial assets, and if interest rates had been 50 basis points lower, there would be an equal and opposite impact on pre-tax cash flows.

c) Other price risk

The Group was exposed to instrument price risk and equity price risk through its investments in mutual funds, equity securities and debt instruments. Equity investments are held for strategic rather than for trading purposes, and the Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to price risks of mutual funds, debt instruments and equity securities at the end of the reporting periods.

If prices of mutual funds, debt instruments and equity securities had been 5% higher/lower, the income before income tax for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$268,543 thousand and \$352,520 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income or loss before income tax for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$2,043,421 thousand and \$1,549,216 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

Changes in the Group's sensitivity to price risk are mainly resulting from the increased/decreased investment in equity securities and debt investments.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting periods, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group, could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and
- b) The amount of contingent liabilities in relation to financial guarantees issued by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties, evaluated potential customers through an internal credit rating system and set the credit limit of customers to grasp the credit status of the counterparties and effectively control the credit exposure.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group's unutilized bank borrowing facilities were \$21,402,660 thousand, \$37,294,584 thousand and \$23,939,705 thousand, respectively.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay, including principal and estimated interest. Therefore, bank borrowings with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights.

September 30, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Lease liabilities	\$ 8,902	\$ 17,803	\$ 78,862	\$ 289,319	\$ 791,558
Fixed interest rate liabilities	<u>6,592,641</u>	<u>2,017,522</u>	<u>53,910</u>	<u>12,894,810</u>	<u>330,248</u>
	<u>\$ 6,601,543</u>	<u>\$ 2,035,325</u>	<u>\$ 132,772</u>	<u>\$ 13,184,129</u>	<u>\$ 1,121,806</u>

Additional information about the maturity analysis for lease liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 105,567</u>	<u>\$ 289,319</u>	<u>\$ 212,143</u>	<u>\$ 227,587</u>	<u>\$ 161,786</u>	<u>\$ 190,042</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Lease liabilities	\$ 9,159	\$ 18,214	\$ 80,151	\$ 344,982	\$ 856,754
Fixed interest rate liabilities	<u>6,657,502</u>	<u>4,458,437</u>	<u>1,059,003</u>	<u>7,560,124</u>	<u>334,752</u>
	<u>\$ 6,666,661</u>	<u>\$ 4,476,651</u>	<u>\$ 1,139,154</u>	<u>\$ 7,905,106</u>	<u>\$ 1,191,506</u>

Additional information about the maturity analysis for lease liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 107,524</u>	<u>\$ 344,982</u>	<u>\$ 221,669</u>	<u>\$ 233,050</u>	<u>\$ 186,367</u>	<u>\$ 215,668</u>

September 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Lease liabilities	\$ 8,717	\$ 17,433	\$ 75,274	\$ 330,213	\$ 872,037
Fixed interest rate liabilities	<u>11,076,473</u>	<u>5,664,139</u>	<u>1,680,036</u>	<u>1,932,592</u>	<u>1,293,920</u>
	<u>\$ 11,085,190</u>	<u>\$ 5,681,572</u>	<u>\$ 1,755,310</u>	<u>\$ 2,262,805</u>	<u>\$ 2,165,957</u>

Additional information about the maturity analysis for lease liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 101,424</u>	<u>\$ 330,213</u>	<u>\$ 225,784</u>	<u>\$ 232,226</u>	<u>\$ 192,368</u>	<u>\$ 221,659</u>

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Related Party Category
NTX Electronics Yangzhou Co., Ltd.	Associate
Yuen Foong Yu Biotech Co., Ltd.	Associate
Integrated Solutions Technology Inc.	Associate (became a subsidiary since June 19, 2025)
Nuclera Limited (originally named Nuclera Nucleics Limited)	Associate (became non-associates since August 2024)
Plastic Logic HK Limited	Associate
PL Germany GmbH	Associate
YFY Inc.	Investor with significant influence over the Group
Arizon RFID Technology Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Japan Co., Ltd.	Subsidiary of investor with significant influence over the Group
Yuen Foong Shop Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Paper Enterprise (Nanjing) Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Paper Mfg. (Yangzhou) Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Packaging Inc.	Subsidiary of investor with significant influence over the Group
Yuen Foong Yu Consumer Products Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Corporate Advisory & Services Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Development Co., Ltd.	Subsidiary of investor with significant influence over the Group
Chung Hwa Pulp Corporation	Subsidiary of investor with significant influence over the Group
Sustainable Carbohydrate Innovation Co., Ltd.	Subsidiary of investor with significant influence over the Group
YFY Global Investment B.V.	Subsidiary of investor with significant influence over the Group
Jupiter Prestige Group North America Inc.	Subsidiary of investor with significant influence over the Group

(Continued)

Related Party Name	Related Party Category
Syntax Communication (H.K.) Limited	Subsidiary of investor with significant influence over the Group
Yuen Foong Yu Biotech (Kunshan) Co., Ltd.	Substantive related party
Yuen Foong Paper Co., Ltd.	Substantive related party
SinoPac Securities Corp.	Substantive related party
SinoPac Financial Holdings Company Limited	Substantive related party
Hsin Yi Enterprise Co., Ltd.	Substantive related party
TGKW Management Limited	Substantive related party
Shen's Art Printing Co., Ltd.	Substantive related party
Hsin Fan Precision Electronics (Yangzhou) Co., Ltd.	Substantive related party
SinoPac Asset Management (Asia) Ltd.	Substantive related party

(Concluded)

b. Sales of goods

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate	\$ 984,561	\$ 4,087	\$ 2,021,455	\$ 29,669

The sales price and collection terms are based on the agreements with the related parties.

c. Purchases of goods

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate				
NTX Electronics Yangzhou Co., Ltd.	\$ 42,236	\$ 428,280	\$ 295,192	\$ 1,225,720
Others	-	22,230	12,009	29,863
Subsidiary of investor with significant influence over the Group	5,812	64	15,189	79
Substantive related party	1,221	135	2,745	265
	<u>\$ 49,269</u>	<u>\$ 450,709</u>	<u>\$ 325,135</u>	<u>\$ 1,255,927</u>

The purchase price and payment terms are based on the agreements with the related parties.

d. Manufacturing costs

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Substantive related party	\$ 10,312	\$ 17,006	\$ 22,135	\$ 46,528
Others	2,037	3,137	5,797	9,538
	<u>\$ 12,349</u>	<u>\$ 20,143</u>	<u>\$ 27,932</u>	<u>\$ 56,066</u>

e. Operating expenses

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Substantive related party	\$ 7,156	\$ 6,349	\$ 19,513	\$ 16,023
Associate	1,297	667	9,611	8,250
Subsidiary of investor with significant influence over the Group	<u>4,929</u>	<u>1,079</u>	<u>14,716</u>	<u>3,742</u>
	<u>\$ 13,382</u>	<u>\$ 8,095</u>	<u>\$ 43,840</u>	<u>\$ 28,015</u>

f. Non-operating income - other income

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate	\$ 3,231	\$ 1,947	\$ 6,348	\$ 13,557
Others	<u>-</u>	<u>2,959</u>	<u>13</u>	<u>6,677</u>
	<u>\$ 3,231</u>	<u>\$ 4,906</u>	<u>\$ 6,361</u>	<u>\$ 20,234</u>

g. Non-operating income - interest income

Related Party Category	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Subsidiary of investor with significant influence over the Group	\$ 25	\$ 23	\$ 75	\$ 71
Associate	<u>-</u>	<u>406</u>	<u>-</u>	<u>1,301</u>
	<u>\$ 25</u>	<u>\$ 429</u>	<u>\$ 75</u>	<u>\$ 1,372</u>

h. Receivables from related parties

Line Items	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	Associate			
	NTX Electronics	\$ 1,228,033	\$ 1,451	\$ 28,026
	Yangzhou Co., Ltd.			
	Others	18,892	20,345	19,640
	Less: Loss allowance	<u>(18,892)</u>	<u>(20,345)</u>	<u>(19,640)</u>
		1,228,033	1,451	28,026
	Subsidiary of investor with significant influence over the Group	-	8,669	7,592
	Substantive related party	<u>-</u>	<u>57</u>	<u>-</u>
		<u>\$ 1,228,033</u>	<u>\$ 10,177</u>	<u>\$ 35,618</u>

(Continued)

Line Items	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Other receivables	Associate	\$ 10,656	\$ 11,475	\$ 11,078
	Less: Loss allowance	(9,769)	(9,769)	(9,769)
	Effects of foreign currency exchange differences	<u>(887)</u>	<u>(1,706)</u>	<u>(1,309)</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u> (Concluded)

The outstanding accounts receivables from related parties were unsecured.

i. Payables to related parties (recognized in notes and accounts payable)

Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ 60,516	\$ 113,620	\$ 63,815
Subsidiary of investor with significant influence over the Group	21,482	14,018	13,018
Substantive related party	<u>8,369</u>	<u>5,665</u>	<u>11,254</u>
	<u>\$ 90,367</u>	<u>\$ 133,303</u>	<u>\$ 88,087</u>

The outstanding accounts payables to related parties were unsecured.

j. Prepayments and refundable deposits (recognized in other non-current assets)

Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Substantive related party			
Yuen Foong Yu Biotech (Kunshan) Co., Ltd.	\$ 48,178	\$ 51,445	\$ 50,949
Others	4,148	-	3,781
Subsidiary of investor with significant influence over the Group	5,857	6,034	5,927
Associate	<u>19</u>	<u>42</u>	<u>37</u>
	<u>\$ 58,202</u>	<u>\$ 57,521</u>	<u>\$ 60,694</u>

k. Construction in progress and prepayments for equipment (included in property, plant and equipment)

Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Subsidiary of investor with significant influence over the Group	<u>\$ 114,551</u>	<u>\$ 100,302</u>	<u>\$ 100,302</u>

l. Lease arrangements

The Group leased offices from a subsidiary of investor with significant influence over the Group and renewed the contract after the expiration in February 2023. The lease term is 2 years. In addition, the Group leased land from a subsidiary of investor with significant influence over the Group in August 2022. The lease term is 20 years. The related information was as follows:

Line Item	September 30, 2025	December 31, 2024	September 30, 2024	
Right-of-use assets	<u>\$ 211,686</u>	<u>\$ 232,893</u>	<u>\$ 223,286</u>	
Lease liabilities				
Current (included in other current liabilities)	\$ 10,048	\$ 8,725	\$ 4,831	
Non-current	<u>223,002</u>	<u>237,968</u>	<u>230,649</u>	
	<u>\$ 233,050</u>	<u>\$ 246,693</u>	<u>\$ 235,480</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
Line Item	2025	2024	2025	2024
Interest expenses	<u>\$ 2,798</u>	<u>\$ 2,884</u>	<u>\$ 8,506</u>	<u>\$ 8,694</u>

The lease contract between the Group and the related party was determined by reference to the market conditions and payment terms that were similar to those with the third parties.

m. Guarantee deposits received (recognized in other non-current liabilities)

Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ -	\$ 984	\$ 949
Substantive related party	<u>65</u>	<u>69</u>	<u>68</u>
	<u>\$ 65</u>	<u>\$ 1,053</u>	<u>\$ 1,017</u>

n. Acquisition of financial assets

For the nine months ended September 30, 2024

Related Party Category	Line Item	Number of Shares (In Thousands)	Underlying Assets	Purchase Price
Substantive related party	Financial assets at FVTPL - non-current	30	Fund	\$ 97,710

o. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 69,532	\$ 45,325	\$ 174,801	\$ 131,171
Post-employment benefits	505	479	1,460	1,419
Share-based payments	<u>25,731</u>	<u>741</u>	<u>48,543</u>	<u>4,509</u>
	<u>\$ 95,768</u>	<u>\$ 46,545</u>	<u>\$ 224,804</u>	<u>\$ 137,099</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL

The following demand deposits and time deposits (included in financial assets at amortized cost) were provided as collateral for short-term borrowings, line of credit for derivative instrument trading, tariff guarantee for imported inventories, lease deposits for plants and land, and deposits for provisional attachment:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	\$ 40,507	\$ 38,136	\$ 68,749
Non-current	<u>12,103</u>	<u>12,830</u>	<u>15,648</u>
	<u>\$ 52,610</u>	<u>\$ 50,966</u>	<u>\$ 84,397</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- Unused letters of credit of the Group for purchase of machinery amounted to \$458,934 thousand, \$56,673 thousand and \$60,021 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- Guaranteed notes issued for long-term and short-term borrowings and lines of credit for derivative instrument trading were \$22,093,402 thousand, \$23,440,402 thousand and \$22,867,000 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- Guaranteed notes issued for syndicated loans were \$15,000,000 thousand, \$21,800,000 thousand and \$9,800,000 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.
- To expand production capacity for operational needs, in May 2021, the board of directors of the Company resolved the project to construct a new Hsinchu factory office building and multi-storey parking lot. The additional budget was approved by the board of directors on August 5, 2022, and the total amount of the construction is estimated at NT\$2.643 billion. As of September 30, 2025, the progress of implementation was approximately 86%. On August 9, 2024, the board of directors resolved to build a new production facility with an estimated investment of NT\$1.486 billion, which, as of September 30, 2025, the progress of implementation was approximately 2%. On May 8, 2025, the board of directors resolved to approve the project for the installation of large-format ePaper and mold production equipment, with an estimated investment of NT\$3.628 billion, which, as of September 30, 2025, has not yet been carried out.

- e. On August 5, 2022, the board of directors of the Company resolved to construct new factory office buildings in Guanyin District, Taoyuan, on a leasehold basis. Further, on November 3, 2023, the Company resolved the project to construct a new production line and factory facilities, and the total amount of the overall construction and equipment is expected to be NT\$4.095 billion. As of September 30, 2025, the progress of implementation was approximately 1.42%. Considering the Company's long-term operational development and needs, on November 7, 2025, the board of directors of the Company resolved to purchase the land originally leased at the Guanyin District, Taoyuan, with the transaction amount is expected to be NT\$1.346 billion, and to terminate the original land lease contract.
- f. On November 7, 2025, the board of directors of the Company resolved to lease a factory in Guanyin District, Taoyuan, for a period of 10 years starting from the contract commencement date, with an expected right-of-use asset amount of NT\$0.614 billion. The board also approved the Guanyin Plant renovation project, with the total amount of the construction is expected to be NT\$1.411 billion.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the entities in the Group and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2025

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 785,151	30.445 (USD:NTD)	\$ 23,903,922
USD	386,472	7.1055 (USD:RMB)	11,766,140
USD	41,507	1,388.914 (USD:KRW)	1,263,681
JPY	6,8843,382	0.2058 (JPY:NTD)	1,416,600
Non-monetary items			
FVTPL			
USD	56,417	1,388.914 (USD:KRW)	1,717,612
FVTOCI			
USD	83,219	1,388.914 (USD:KRW)	2,533,588
USD	60,668	30.445 (USD:NTD)	1,847,047
EUR	246,500	35.770 (EUR:NTD)	8,817,299
<u>Foreign currency liabilities</u>			
Monetary items			
USD	335,319	30.445 (USD:NTD)	10,208,787
USD	294,738	7.1055 (USD:RMB)	8,980,605

December 31, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 516,551	32.785 (USD:NTD)	\$ 16,935,125
USD	436,494	7.1884 (USD:RMB)	14,310,448
Non-monetary items			
FVTPL			
USD	94,600	1,459.706 (USD:KRW)	3,101,462
FVTOCI			
USD	79,048	1,459.706 (USD:KRW)	2,591,595
USD	92,679	32.785 (USD:NTD)	3,038,467
EUR	171,777	34.14 (EUR:NTD)	5,864,451
<u>Foreign currency liabilities</u>			
Monetary items			
USD	240,259	32.785 (USD:NTD)	7,876,891
USD	228,128	7.1884 (USD:RMB)	7,479,176

September 30, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 442,416	31.65 (USD:NTD)	\$ 14,002,466
USD	459,512	7.0074 (USD:RMB)	14,543,569
USD	34,099	1,300.863 (USD:KRW)	1,079,246
Non-monetary items			
FVTPL			
USD	94,776	1,300.863 (USD:KRW)	2,999,669
FVTOCI			
USD	90,134	1,300.863 (USD:KRW)	2,852,736
USD	97,248	31.65 (USD:NTD)	3,077,902
EUR	148,867	35.38 (EUR:NTD)	5,266,899
<u>Foreign currency liabilities</u>			
Monetary items			
USD	236,207	7.0074 (USD:RMB)	7,475,952
USD	266,355	31.65 (USD:NTD)	8,429,503

The Group's net realized and unrealized (losses) gains on foreign currency exchange were \$653,535 thousand, \$(570,136) thousand, \$(1,270,503) thousand and \$218,963 thousand, for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively. It is impractical to disclose net gain or loss on foreign currency exchange by each significant foreign currency due to the variety of the foreign currency transactions and the functional currency of each entity in the Group.

35. SEPARATELY DISCLOSED ITEMS

a. Significant transactions:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 6) Intercompany relationships and significant intercompany transactions (Table 6)

b. Information on investees (Table 7)

c. Information on investments in mainland China (Table 8)

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area.
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, ending balance, interest rate interval, and total interest for the current period with respect to financing of funds.

- f) Other transactions that have a material effect on profit or loss for the period or on the financial position, such as the rendering or receipt of services.

36. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the breakdown by region. The Group's reportable segments were classified into the ROC, Asia and Americas according to their geographic locations.

The profit or loss from the Group's operating segments is primarily measured by the segment profit or loss, which is used for the basis for assessment of performance. In addition, there are no significant differences between the accounting standards applied by the segments and the summary of material accounting policies as disclosed in Note 4.

The following was an analysis of the Group's revenue and results from operation by reportable segments:

	Segment Revenue		Segment Profit (Loss)	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
ROC	\$ 30,158,883	\$ 14,881,177	\$ 9,610,030	\$ 2,263,133
Asia	18,391,086	15,696,597	834,934	1,892,460
America	5,358,569	5,995,543	42,787	1,109,069
Adjustments and eliminations	<u>(24,808,483)</u>	<u>(14,085,453)</u>	<u>-</u>	<u>-</u>
	<u>\$ 29,100,055</u>	<u>\$ 22,487,864</u>	10,487,751	5,264,662
Administration costs and remunerations to directors			(501,045)	(453,262)
Interest income			901,062	1,114,464
Royalty income			244,941	248,782
Dividend income			981,903	662,905
Interest expenses			(277,544)	(246,655)
Net (loss) gain on foreign currency exchange			(1,270,503)	218,963
Net gain (loss) on disposal of investment			645,526	(116,025)
Net gain (loss) on fair value changes of financial assets and liabilities at FVTPL			203,443	(8,197)
Other non-operating income and expenses, net			<u>(25,506)</u>	<u>(50,679)</u>
Income before tax			<u>\$ 11,390,028</u>	<u>\$ 6,634,958</u>

Segment profit (loss) represents the income before income tax earned by each segment without allocation of administration costs and remunerations of directors, interest income, royalty income, dividend income, interest expenses, net (loss) gain on foreign currency exchange, net loss on disposal of investment, net (loss) gain on fair value changes of financial assets and liabilities at FVTPL, other non-operating income and expenses and tax expense.

TABLE 1

E INK HOLDINGS INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance (Note 1)	Ending Balance (Note 1)	Amount Actually Drawn (Note 1)	Interest Rate Intervals (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrowing Company (Notes 1 and 2)	Aggregate Financing Limit (Notes 1 and 2)
													Item	Value		
0	E Ink Holdings Inc.	YuanHan Materials Inc.	Other receivables	Yes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	1.9	Short-term financing	\$ -	Working capital	\$ -	-	\$ -	\$ 6,515,423	\$ 26,061,691
1	YuanHan Materials Inc.	Prime View Communications Ltd.	Other receivables	Yes	132,820 (US\$ 4,000 thousand)	121,780 (US\$ 4,000 thousand)	121,780 (US\$ 4,000 thousand)	6.0	Short-term financing	-	Working capital	-	-	-	1,549,247	6,196,988
2	E Ink Technology B.V.	E Ink Netherlands B.V.	Other receivables	Yes	139,461 (US\$ 4,200 thousand)	127,869 (US\$ 4,200 thousand)	127,869 (US\$ 4,200 thousand)	5.5	Short-term financing	-	Working capital	-	-	-	4,058,288 (US\$ 133,299 thousand)	16,233,213 (US\$ 533,198 thousand)
		New Field e-Paper Co., Ltd.	Other receivables	Yes	498,075 (US\$ 15,000 thousand)	456,675 (US\$ 15,000 thousand)	456,675 (US\$ 15,000 thousand)	5.5	Short-term financing	-	Working capital	-	-	-	4,058,288 (US\$ 133,299 thousand)	16,233,213 (US\$ 533,198 thousand)

Note 1: The amounts are translated at the exchange rate of US\$1=NT\$30.445 on September 30, 2025, except the maximum balance that is translated at the exchange rate at the end of each month for the period.

Note 2: The aggregate and individual financing limits of E Ink Holdings Inc., YuanHan Materials Inc. and E Ink Technology B.V. shall not exceed 40% and 10%, respectively, of the financing company’s net equity per its latest financial statements.

Note 3: The above intercompany transactions have been eliminated upon consolidation.

TABLE 2

E INK HOLDINGS INC. AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Endorsement/Guarantee Provider	Endorsed/Guaranteed Party		Limit on Endorsement/ Guarantee Amount Provided to Each Endorsed/ Guaranteed Party (Notes 1 and 2)	Maximum Balance (Note 2)	Ending Balance (Note 2)	Amount Actually Drawn (Note 2)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable (Note 3)	Endorsement/ Guarantee Provided by Parent Company	Endorsement/ Guarantee Provided by Subsidiary	Endorsement/ Guarantee to Subsidiary in Mainland China
		Name	Relationship										
0	E Ink Holdings Inc.	E Ink Corporation	Subsidiary	\$ 16,288,557	\$ 3,752,165 (US\$ 113,000 thousand)	\$ 2,435,600 (US\$ 80,000 thousand)	\$ -	\$ -	3.74	\$ 65,154,227	Yes	No	No
		YuanHan Materials Inc.	Subsidiary	16,288,557	2,600,000	2,000,000	-	-	3.07	65,154,227	Yes	No	No
		Linfiny Corporation	Subsidiary	16,288,557	250,000	200,000	32,000	-	0.31	65,154,227	Yes	No	No
		New Field e-Paper Co., Ltd.	Subsidiary	16,288,557	1,500,000	1,500,000	-	-	2.30	65,154,227	Yes	No	No
		E Ink Japan Inc.	Subsidiary	16,288,557	29,146 (JPY 130,000 thousand)	24,696 (JPY 120,000 thousand)	4,116 (JPY 20,000 thousand)	-	0.04	65,154,227	Yes	No	No

Note 1: The amount shall not exceed 25% of the net equity of the Company.

Note 2: The amounts are translated at the exchange rate of US\$1=NT\$30.445 and JPY1=NT\$0.2058 on September 30, 2025, except the maximum balance is translated at the exchange rate of the end of each month for the period.

Note 3: The amount shall not exceed the net equity of the Company.

TABLE 3

E INK HOLDINGS INC. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
E Ink Holdings Inc.	<u>Ordinary shares</u>							
	SinoPac Financial Holding Company Limited	Substantive related party	Financial assets at FVTOCI - non-current	151,026,040	\$ 3,775,651	1.15	\$ 3,775,651	
	Yuanta Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - non-current	9,888,000	344,597	0.07	344,597	
	Mega Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - non-current	8,897,290	378,135	0.06	378,135	
	Taiflex Sciehtific Co., Ltd.	-	Financial assets at FVTOCI - non-current	12,310,000	754,603	4.69	754,603	
	Daxin Materials Corporation	-	Financial assets at FVTOCI - non-current	1,758,000	690,015	1.71	690,015	
New Field e-Paper Co., Ltd.	<u>Ordinary shares</u>							
	SinoPac Financial Holding Company Limited	Substantive related party	Financial assets at FVTOCI - non-current	39,906,746	997,669	0.30	997,669	
	Taiflex Sciehtific Co., Ltd.	-	Financial assets at FVTOCI - non-current	7,200,000	441,360	2.74	441,360	
	Yuanta Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - non-current	9,064,000	315,880	0.07	315,880	
	VusionGroup	-	Financial assets at FVTOCI - non-current	60,000	547,281	0.36	547,281	
	<u>Mutual funds</u>							
	HPS Corporate Lending Fund	-	Financial assets at FVTPL - non-current	587,774	451,664	-	451,664	
YuanHan Materials Inc.	<u>Ordinary shares</u>							
	SinoPac Financial Holding Company Limited	Substantive related party	Financial assets at FVTOCI - non-current	259,973,450	6,499,336	1.98	6,499,336	
	Netronix Inc.	-	Financial assets at FVTOCI - non-current	5,309,198	767,179	6.17	767,179	
	VusionGroup	-	Financial assets at FVTOCI - non-current	906,666	8,270,018	5.38	8,270,018	
	Yuanta Financial Holding Co., Ltd.	-	Financial assets at FVTOCI - non-current	9,064,000	315,880	0.07	315,880	
	Daxin Materials Corp.	-	Financial assets at FVTOCI - non-current	1,138,000	446,665	1.11	446,665	
	Taiflex Sciehtific Co., Ltd.	-	Financial assets at FVTOCI - non-current	6,150,000	376,995	2.34	376,995	
E Ink Corporation	<u>Preferred shares</u>							
	Nuclera Limited (originally named Nuclera Nucleics Ltd.)	-	Financial assets at FVTOCI - non-current	1,107,094	US\$ 11,924 thousand	7.08	US\$ 11,924 thousand	
Transcend Optronics (Yangzhou) Co., Ltd.	<u>Ordinary shares</u>							
	Hanshow Technology Corporation	-	Financial assets at FVTOCI - non-current	2,880,000	RMB 158,400 thousand	0.68	RMB 158,400 thousand	
	Hanshow Technology Corporation	-	Financial assets at FVTPL - non-current	1,265,309	RMB 69,592 thousand	0.30	RMB 69,592 thousand	
Hydis Technologies Co., Ltd.	<u>Ordinary shares</u>							
	SOLUM CO., LTD.	-	Financial assets at FVTPL - non-current	1,689,457	KRW 29,464,130 thousand	3.53	KRW 29,464,130 thousand	
	SOLUM CO., LTD.	-	Financial assets at FVTOCI - non-current	527,432	KRW 9,198,414 thousand	1.10	KRW 9,198,414 thousand	
	Hana Financial Group Inc.	-	Financial assets at FVTOCI - non-current	683,517	KRW 59,602,682 thousand	0.25	KRW 59,602,682 thousand	
	KT&G Corporation	-	Financial assets at FVTOCI - non-current	355,202	KRW 47,454,987 thousand	0.33	KRW 47,454,987 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Hydis Technologies Co., Ltd.	Samsung card co., Ltd.	-	Financial assets at FVTOCI - non-current	549,455	KRW 28,736,497 thousand	0.51	KRW 28,736,497 thousand	
	SK Telecom Co., Ltd.	-	Financial assets at FVTOCI - non-current	753,769	KRW 40,929,657 thousand	0.35	KRW 40,929,657 thousand	
	HD Hyundai Co., Ltd.	-	Financial assets at FVTOCI - non-current	373,912	KRW 58,105,925 thousand	0.53	KRW 58,105,925 thousand	
	Macquarie Korea Infrastructure Fund	-	Financial assets at FVTOCI - non-current	2,614,209	KRW 30,089,546 thousand	0.55	KRW 30,089,546 thousand	
	<u>Mutual funds</u> Term Liquidity Fund	-	Financial assets at FVTPL - non-current	95,558	KRW 17,228,648 thousand	-	KRW 17,228,648 thousand	
	<u>Perpetual bonds</u> JP Morgan Chase & Co.	-	Financial assets at FVTPL - current	29,800,000	KRW 42,082,237 thousand	-	KRW 42,082,237 thousand	
	<u>Straight corporate bonds</u> NOMURA Holdings, Inc.	-	Financial assets at FVTOCI - non-current	16,000,000	KRW 21,194,533 thousand	-	KRW 21,194,533 thousand	
	Societe Generale	-	Financial assets at FVTOCI - non-current	8,900,000	KRW 13,767,860 thousand	-	KRW 13,767,860 thousand	
	Fubon hyundai life	-	Financial assets at amortized cost - current	1,500,000	KRW 14,974,500 thousand	-	KRW 14,974,500 thousand	

Note: Refer to Tables 7 and 8 for information on investments in subsidiaries and associates.

(Concluded)

TABLE 4

E INK HOLDINGS INC. AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 1)	
E Ink Holdings Inc.	E Ink Corporation	Subsidiary	Purchase	\$ 5,341,696	35	By agreements	\$ -	-	\$ (1,408,041)	(19)	
	YuanHan Materials Inc.	Subsidiary	Purchase	1,372,301	9	By agreements	-	-	(228,139)	(3)	
	Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	Purchase	2,037,377	14	By agreements	-	-	(5,501,666)	(76)	
	NTX Electronics Yangzhou Co., Ltd.	Associate	Sale	(2,019,838)	(7)	By agreements	-	-	1,224,706	16	
	NTX Electronics Yangzhou Co., Ltd.	Associate	Purchase	202,191	1	By agreements	-	-	-	-	
YuanHan Materials Inc.	E Ink Holdings Inc.	Parent company	Sale	(1,372,301)	(93)	By agreements	-	-	228,139	100	
Transcend Optronics (Yangzhou) Co., Ltd.	E Ink Holdings Inc.	Parent company	Sale	(2,037,377)	(98)	By agreements	-	-	5,501,666	100	
E Ink Corporation	E Ink Holdings Inc.	Parent company	Sale	(5,341,696)	(100)	By agreements	-	-	1,408,041	99	

Note 1: The calculation is based on each company’s receivables from (payables to) related parties.

Note 2: The above intercompany transactions have been eliminated upon consolidation, except for NTX Electronics Yangzhou Co., Ltd.

TABLE 5

E INK HOLDINGS INC. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate (Times)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
E Ink Holdings Inc.	YuanHan Materials Inc.	Subsidiary	\$ 1,501,066	(Note 2)	\$ -	-	\$ 243	\$ -
	New Field e-Paper Co., Ltd.	Subsidiary	118,024	(Note 3)	-	Collected	-	-
	Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	6,603,476	(Note 1)	136,637	Collected	1,793,474	-
	NTX Electronics Yangzhou Co., Ltd.	Associate	1,224,706	(Note 1)	-	-	311,556	-
YuanHan Materials Inc.	E Ink Holdings Inc.	Parent company	228,139	8.60	-	-	191,524	-
Transcend Optronics (Yangzhou) Co., Ltd.	E Ink Holdings Inc.	Parent company	5,501,666	(Note 1)	94,204	Collected	2,471,925	-
E Ink Corporation	E Ink Holdings Inc.	Parent company	1,408,041	6.76	698,835	Collected	789,470	-

Note 1: Other receivables from materials delivered to subcontractors.

Note 2: Cash dividend receivables and other receivables from financing provided.

Note 3: Other receivables from cash dividend receivables.

Note 4: The above intercompany transactions have been eliminated upon consolidation.

TABLE 6

E INK HOLDINGS INC. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars)**

No.	Company Name	Related Party	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
0	E Ink Holdings Inc.	E Ink Corporation	Subsidiary	Accounts payable to related parties	\$ 1,408,041	By agreements	1.4
		E Ink Corporation	Subsidiary	Cost of goods sold	5,341,696	By agreements	18.4
		YuanHan Materials Inc.	Subsidiary	Cost of goods sold	1,372,301	By agreements	4.7
		YuanHan Materials Inc.	Subsidiary	Other receivables from related parties	1,501,066	By agreements	1.5
		Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	Accounts receivable from related parties	6,603,476	By agreements	6.4
		Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	Accounts payable to related parties	5,501,666	By agreements	5.3
		Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	Cost of goods sold	2,037,377	By agreements	7.0
		Transcend Optronics (Yangzhou) Co., Ltd.	Subsidiary	Manufacturing costs	1,803,314	By agreements	6.2

Note 1: The above intercompany transactions have been eliminated upon consolidation.

Note 2: Transactions amounts of \$500 million or more are disclosed in this table.

TABLE 7

E INK HOLDINGS INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		Balance as of September 30, 2025			Net Income (Loss) of Investee	Share of Profit (Loss) of Investee	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of Ownership (%)	Carrying Amount			
E Ink Holdings Inc.	E Ink Technology B.V.	Eindhoven	Investment	\$ 12,510,056	\$ 12,510,056	437,536,259	100.00	\$ 40,583,030	\$ 1,507,277	\$ 1,507,277	(Note 1)
	New Field e-Paper Co., Ltd.	Taoyuan, Taiwan	Investment	2,488,349	2,488,349	158,703,191	100.00	2,587,606	55,230	55,230	(Note 1)
	YuanHan Materials Inc.	Taipei, Taiwan	Manufacture and sale of chemical materials and optical films	6,420,230	6,420,230	183,819,268	100.00	15,431,979	882,100	872,553	(Note 1)
	Dream Universe Ltd.	Mauritius	Trading	128,710	128,710	4,050,000	100.00	466,364	20,796	20,796	(Note 1)
	Prime View Communications Ltd.	Hong Kong	Trading	18,988	18,988	3,570,000	100.00	(112,439)	(5,783)	(5,783)	(Note 1)
	Enttek Co., Ltd.	Taichung, Taiwan	Manufacture and sale of consumer audio-visual systems	34,547	34,547	2,203,161	47.07	-	-	-	Under liquidation
	Linfiny Corporation	Taoyuan, Taiwan	Research, development and sale of electronic paper products	4,340	4,340	339,828	23.00	4,278	6,450	5,635	(Note 1)
	Plastic Logic HK Limited	Hong Kong	Research, development and manufacture of electronic paper display panels	6,597	6,597	223,655	2.40	-	-	-	
	E Ink Japan Inc.	Tokyo, Japan	Development of electronic paper products	15,065	15,065	200	100.00	12,379	(2,242)	(2,242)	(Note 1)
	Integrated Solutions Technology, Inc.	Taipei, Taiwan	Technical services and trading business of integrated circuits and electronic circuit application design, etc.	148,743	148,743	9,896,402	25.93	622,991	(23,273)	(7,093)	(Note 2)
YuanHan Materials Inc.	Linfiny Corporation	Taoyuan, Taiwan	Research, development and sale of electronic paper products	323,400	323,400	1,137,686	77.00	14,321	6,450	4,967	(Note 1)
	Yuen Foong Yu Biotech Co., Ltd.	Taipei, Taiwan	Cultivation, processing and sale of agriculture and restaurant management	36,000	36,000	3,600,000	36.00	-	-	-	
	Kyoritsu Optronics Co., Ltd.,	Taipei, Taiwan	Technology development, transfer and licensing of flat panels	18,860	18,860	1,050,000	25.65	-	-	-	
	Integrated Solutions Technology, Inc.	Taipei, Taiwan	Technical services and trading business of integrated circuits and electronic circuit application design, etc.	51,027	51,027	3,395,000	8.89	213,719	(23,273)	(2,433)	(Note 2)
Linfiny Corporation	Linfiny Japan Inc.	Tokyo, Japan	Research, development and sale of electronic paper products	11,088	11,088	4,000	100.00	26,301	1,664	1,664	(Note 1)
E Ink Technology B.V.	PVI International Corp.	British Virgin Islands	Trading	US\$ 169,300 thousand	US\$ 169,300 thousand	169,300,000	100.00	US\$ 430,009 thousand	US\$ 42,042 thousand	US\$ 42,042 thousand	(Note 1)
	E Ink Netherlands B.V.	Eindhoven	Investment	US\$ 330,123 thousand	US\$ 330,123 thousand	355,123,083	100.00	US\$ 825,257 thousand	US\$ 10,038 thousand	US\$ 10,038 thousand	(Note 1)
	Ruby Lustre Ltd.	British Virgin Islands	Investment	US\$ 30,000 thousand	US\$ 30,000 thousand	30,000,000	100.00	US\$ 36,401 thousand	US\$ (1,261) thousand	US\$ (1,261) thousand	(Note 1)
	North Diamond International Co., Ltd.	British Virgin Islands	Investment	US\$ 1,750 thousand	US\$ 1,750 thousand	1,750,000	35.00	-	-	-	
	Rock Pearl International Corp.	British Virgin Islands	Investment	US\$ 1,540 thousand	US\$ 1,540 thousand	1,540,000	35.00	-	-	-	
E Ink Netherlands B.V.	Hydis Technologies Co., Ltd.	South Korea	Patent licensing and investment in financial instruments	US\$ 27,612 thousand	US\$ 27,612 thousand	3,783,265	94.73	US\$ 440,349 thousand	US\$ 5,847 Thousand	US\$ 5,538 Thousand	(Note 1)
	E Ink Corporation	Boston, USA	Research, development and manufacture of electronic inks	US\$ 329,123 thousand	US\$ 329,123 thousand	2,282	100.00	US\$ 389,190 thousand	US\$ 5,096 thousand	US\$ 5,096 thousand	(Note 1)
Hydis Technologies Co., Ltd.	Plastic Logic HK Limited	Hong Kong	Research, development and manufacture of electronic paper display panels	KRW 2,942,500 thousand	KRW 2,942,500 thousand	2,500,000	26.79	-	-	-	

Note 1: All intercompany transactions have been eliminated upon consolidation.

Note 2: Integrated Solutions Technology, Inc. was reclassified from an investment accounted for using the equity method to a subsidiary as of June 19, 2025. Please refer to Note 13 for further details.

TABLE 8

E INK HOLDINGS INC. AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Business and Product	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025 (Note 1)	Net Income (Loss) of Investee (Note 2)	Direct or Indirect Percentage of Ownership (%)	Share of Profit (Loss) of Investee (Notes 2 and 3)	Carrying Amount as of September 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outward	Inward						
Transcend Optronics (Yangzhou) Co., Ltd.	Research and development, assembly and sale of display panels	\$ 7,285,489 (US\$ 239,300 thousand)	The Company indirectly owns the investee through an investment company registered in a third region	\$ 3,587,791 (US\$ 117,845 thousand)	\$ -	\$ -	\$ 3,587,791 (US\$ 117,845 thousand)	\$ 1,293,496 (US\$ 41,429 thousand)	100.00	\$ 1,312,698 (US\$ 42,044 thousand)	\$ 13,085,048 (US\$ 429,793 thousand)	\$ -
Rich Optronics (Yangzhou) Co., Ltd. (Note 6)	Assembly and sale of display panels	-	The Company indirectly owns the investee through an investment company registered in a third region	913,350 (US\$ 30,000 thousand)	-	-	913,350 (US\$ 30,000 thousand)	2,186 (US\$ 70 thousand)	-	2,186 (US\$ 70 thousand)	-	-
Transyork Technology Yangzhou Ltd.	Assembly and sale of display panels	1,124,364 (US\$ 36,931 thousand)	The Company indirectly owns the investee through an investment company registered in a third region	-	-	-	-	6,682 (US\$ 214 thousand)	100.00	6,682 (US\$ 214 thousand)	908,601 (US\$ 29,844 thousand)	-
Yangzhou Huaxia Integrated O/E System Co., Ltd. (Liquidation)	Manufacture and sale of LED products	-	The Company indirectly owns the investee through an investment company registered in a third region	42,319 (US\$ 1,390 thousand)	-	-	42,319 (US\$ 1,390 thousand)	-	100.00	-	-	-
Dihao Electronics (Yangzhou) Co., Ltd. (Under liquidation)	Assembly of LCD backlight board display modules	152,225 (US\$ 5,000 thousand)	The Company indirectly owns the investee through an investment company registered in a third region	53,279 (US\$ 1,750 thousand)	-	-	53,279 (US\$ 1,750 thousand)	-	35.00	-	-	-
Integrated Solutions Technology (Shenzhen) Co., Ltd.	Technical support and after-sales services.	76,113 (RMB 2,500 thousand)	The Company indirectly owns the investee through an investment company registered in a third region	76,113 (US\$ 2,500 thousand)	-	-	76,113 (US\$ 2,500 thousand)	1,421 (RMB 330 thousand)	34.82	534 (RMB 124 thousand)	13,475 (RMB 3,155 thousand)	-
NTX Electronics Yangzhou Co., Ltd.	Manufacture and sale of flat panels	170,845 (RMB 40,000 thousand)	The Company indirectly owns the investee through an investment company registered in a third region	-	-	-	-	39,962 (RMB 9,281 thousand)	49.00	19,581 (RMB 4,547 thousand)	178,561 (RMB 41,807 thousand)	-

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025 (Note 1)	Investment Amount Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 4,672,852 (US\$ 153,485 thousand)	\$ 11,162,203 (US\$ 366,635 thousand)	\$ 48,690,784

(Continued)

- Note 1: The amounts are translated at the exchange rate of US\$1=NT\$30.445 and RMB1=NT\$4.27113 on September 30, 2025.
- Note 2: The amounts are translated at the average exchange rate of US\$1=NT\$31.222 and RMB1=NT\$4.30604 for the nine months ended September 30, 2025.
- Note 3: The carrying amount and related investment income or loss were calculated based on unreviewed financial statements of the corresponding period, except Transcend Optronics (Yangzhou) Co., Ltd., Rich Optronics (Yangzhou) Co., Ltd. and Transyork Technology Yangzhou Ltd.
- Note 4: Refer to Tables 4, 5 and 6, for information on the prices, payment terms and unrealized profit or loss of significant transactions with investee companies in mainland China.
- Note 5: The above intercompany transactions have been eliminated upon consolidation, except for NTX Electronics Yangzhou Co., Ltd. and Dihao Electronics (Yangzhou) Co., Ltd.
- Note 6: Rich Optronics (Yangzhou) Co., Ltd. resolved to proceed with liquidation in November 2024 and completed the liquidation in August 2025.

(Concluded)