

IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Financial Statements and Independent  
Auditors' Review Report  
For the Six Months Ended June 30, 2025 and 2024  
(Stock Code: 2250)

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IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Financial Statements and Independent Auditors' Report  
For the Six Months Ended June 30, 2025 and 2024  
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## Independent Auditors' Report

To the Board of Directors and Shareholders of IKKA Holdings (Cayman) Limited:

### **Opinion**

We have audited the Consolidated Balance Sheets of IKKA Holdings (Cayman) Limited and its subsidiaries (hereinafter referred to as “the Group”) as of June 30, 2025 and 2024, the Consolidated Statements of Comprehensive Income for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to Consolidated Financial Statements (including a summary of significant accounting policies) for the periods from January 1 to June 30, 2025 and 2024.

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2025 and 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, and its consolidated cash flows for the six months ended June 30, 2025 and 2024, in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards No. 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission (FSC).

### **Basis for Opinion**

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants, as well as the Standards on Auditing (TWSA). Our responsibilities under those standards are further described in the “Auditors’ Responsibilities for Auditing Consolidated Financial Statements” section of our report. Personnel of our firm subject to independence requirements maintain independence from the Group, in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (NFCPAAROC Code), and have fulfilled their other responsibilities under the said Code. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are the issues that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the Group for the six months ended June 30, 2025. These matters were addressed in the context of our audit of the overall Consolidated Financial Statements, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Consolidated Financial Statements of the Group for the six months ended June 30, 2025, are as follows:

### **Assessment of allowance for inventory valuation losses**

#### Description

For accounting policies on inventory valuation, please refer to Note 4(4) of the Notes on Consolidated Financial Statements; for uncertainties in accounting estimates and assumptions regarding inventory valuation, please refer to Note 5(2) of the Notes to Consolidated Financial Statements; for explanations of inventory accounting items, please refer to Note 6(6) of the Notes to Consolidated Financial Statements. As of June 30, 2025, the balances of inventories and loss allowances for inventory revaluation were NT\$372,080 thousand and NT\$31,015 thousand, respectively.

The Group is primarily engaged in the manufacturing and sales of automobiles, office equipment, and precise plastic parts for household equipment. Due to rapid technological changes, short product life cycles, and fierce market competition, there is a higher risk of inventory losses or obsolescence. For inventories that are normally sold, the net realizable value of the Group is based on the sales and purchase prices in the normal course of business within a certain period before the balance sheet date; for inventories that exceed a certain period of aging and inventories that are individually identified as obsolete, their net realizable value is derived from historical information on the degree of inventory disposal and the discount rate.

Since the Group has numerous items of inventory and various sources of net realizable value data for individual inventory part numbers, and the net realizable value

used in assessing and identifying obsolete inventory often involves subjective judgment by management, which is also an area requiring judgment during the audit. Therefore, we have designated the assessment of the allowance for inventory valuation losses as one of the most important matters for this year's audit.

How our audit addressed the key audit matter

To assess the net realizable value and the adequacy of allowance for losses, we performed the following procedures:

1. Assess whether the policy on allowance for losses during the comparative reporting periods was proper and consistent based on our understanding of the operation of the Group and the nature of the industry.
2. Evaluate the reasonableness of obsolete and damaged inventories, and delayed delivery due to weakened market demand, along with supporting documents.
3. Understand the management process, review the inventory plan, and participate in the inventory count to assess the effectiveness of the management's identification and control of obsolete inventory.
4. Obtain the inventory aging report, sample storage information to test the properness of classification, and assess the correctness of the allowance for obsolescence losses based on the inventory valuation policy.
5. Obtain a net realizable value report for inventories, confirm the consistency of calculation logic, randomly check the sales and purchase prices of materials, and review the supporting documents.

**Responsibilities of Management and Governing Bodies for Financial Statements**

Management is responsible for the preparation and fair presentation of Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards No. 34, "Interim Financial Reporting", as endorsed and issued into effect by the Financial Supervisory Commission (FSC), and for maintaining the necessary internal controls related to the preparation of Consolidated Financial Statements to ensure that Consolidated Financial Statements are free from material misstatement due to fraud or

error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing relevant matters, applying the accounting basis for a going concern, unless management intends to liquidate the Group, cease operations, or has no realistic alternative.

The governing bodies (including their Audit Committee) are responsible for overseeing the financial reporting process of the Group.

### **Auditor's responsibilities for auditing financial statements**

The purpose of our audit of the Consolidated Financial Statements is to obtain reasonable assurance about whether the overall Consolidated Financial Statements are free from material misstatement due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but an audit conducted in accordance with the TWSA does not guarantee that a material misstatement in the Consolidated Financial Statements will always be detected. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made based on the Consolidated Financial Statements.

As part of an audit in accordance with the TWSA, we exercise professional judgment and skepticism throughout the audit. We also performed the following procedures:

1. Identify and assess risks of material misstatement due to fraud or error on the Consolidated Financial Statements, design and perform audit procedures, and obtain sufficient and proper evidence as the basis for our opinion. The risk of not detecting a material misstatement from fraud is higher than for one from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain the necessary understanding of internal control relevant to the audit to design appropriate audit procedures for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
3. Evaluate the properness of accounting policies and reasonableness of estimates and disclosures made by management.

4. Conclude on the properness of management's adoption of the accounting basis for a going concern and whether a material uncertainty exists in events or conditions that may cause significant issues on the Group's ability to continue as a going concern. If such a material uncertainty exists, we are required to draw attention in our auditors' report to disclosures in the Consolidated Financial Statements or, if the disclosures are inadequate, to modify our opinion. Our conclusions are based on evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease as a going concern.
5. Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements (including the relevant notes), and whether underlying transactions and events are represented fairly.
6. Express an opinion on the sufficient and appropriate audit evidence on the financial information of Group entities, and on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the group audit, and for forming the group audit opinion.

We communicate with the governing bodies on the planned scope and timing of the audit and key findings (including deficiencies in internal control identified during the audit).

We also provided the governing bodies with a statement that personnel of our firm subject to independence requirements have complied with the independence provisions of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (NFCPAAROC Code), and communicated with the governing bodies all relationships and other matters that may reasonably be thought to bear on our independence (including related safeguards).

From the matters communicated with those charged with governance, we determined the key audit matters for the audit of the Consolidated Financial Statements of the Group for the six months ended June 30, 2025. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Man-Yu, Ruan-Lu

CPA:

Yi-Tai, Tsai

Former Financial Supervisory Commission (FSC) of the  
Executive Yuan

Approval Document No.: Jin-Guan-Zheng-Shen-Zi No.  
0990058257

Financial Supervisory Commission (FSC)

Approval Document No.: Jin-Guan-Zheng-Shen-Zi No.  
1080323093

August 7, 2025



IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Balance Sheet  
As of June 30, 2025, and December 31, 2024, June 30, 2025

Unit: Thousands of NTD

Assets		Note	June 30, 2025		December 31, 2024		June 30, 2024	
			Amount	%	Amount	%	Amount	%
<b>Current Assets</b>								
1100	Cash and cash equivalents	6(1)	\$ 1,343,085	38	\$ 1,342,910	35	\$ 1,067,179	30
1136	Financial assets at amortized cost -	6(3) and 8						
	current		64,205	2	96,078	3	101,339	3
1150	Notes receivable, net	6(5)	51,659	1	14,677	1	18,502	1
1170	Accounts receivable, net	6(5)	664,344	19	895,944	23	817,092	23
1180	Accounts receivable - related	6(5) and 7						
	parties, net		2,076	-	4,475	-	1,654	-
1200	Other receivables	7	3,845	-	3,768	-	5,443	-
130X	Inventories	6(6)	341,065	10	355,999	9	388,446	11
1410	Prepayments	7	31,244	1	29,982	1	29,247	1
1470	Other current assets	6(7)	39,654	1	45,526	1	35,916	1
11XX	<b>Total current assets</b>		<u>2,541,177</u>	<u>72</u>	<u>2,789,359</u>	<u>73</u>	<u>2,464,818</u>	<u>70</u>
<b>Non-current assets</b>								
1510	Financial assets at fair value	6(2)						
	through profit or loss - non-current		-	-	704	-	-	-
1517	Financial assets at fair value	6(4)						
	through other comprehensive							
	income - non-current		51,613	1	34,792	1	77,023	2
1600	Property, plant and equipment	6(8)	701,638	20	762,696	20	749,894	21
1755	Right-of-use assets	6(9) and 7	140,155	4	172,684	4	179,909	5
1780	Intangible assets	6(10)	2,661	-	2,822	-	1,539	-
1840	Deferred tax assets		52,393	2	41,839	1	39,368	1
1900	Other non-current assets		27,910	1	30,930	1	33,046	1
15XX	<b>Total non-current assets</b>		<u>976,370</u>	<u>28</u>	<u>1,046,467</u>	<u>27</u>	<u>1,080,779</u>	<u>30</u>
1XXX	<b>Total assets</b>		<u>\$ 3,517,547</u>	<u>100</u>	<u>\$ 3,835,826</u>	<u>100</u>	<u>\$ 3,545,597</u>	<u>100</u>

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IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Balance Sheet  
As of June 30, 2025, and December 31, 2024, June 30, 2025

Unit: Thousands of NTD

Liabilities and Equity		Note	June 30, 2025		December 31, 2024		June 30, 2024	
			Amount	%	Amount	%	Amount	%
<b>Current liabilities</b>								
2100	Short-term borrowings	6(11)	\$ 178,992	5	\$ 184,712	5	\$ 36,306	1
2130	Contract liabilities - current	6(22)	1,467	-	12,427	-	1,631	-
2150	Notes payable	6(13)	99,238	3	137,533	4	109,186	3
2170	Accounts payable		333,484	9	412,406	11	339,889	10
2180	Accounts payable - related parties	7	1,171	-	19,491	1	19,505	1
2200	Other payables	6(15)	375,533	11	287,214	7	372,098	10
2220	Other payables - related parties	7	401	-	164	-	1,146	-
2230	Income tax liabilities for the period		67,742	2	66,556	2	59,766	2
2280	Lease liabilities - current		34,813	1	53,030	1	48,508	1
2320	Long-term liabilities due within one year or one operating cycle	6(16)	41,211	1	49,727	1	48,470	1
2399	Other current liabilities - other		23,013	1	14,161	-	15,367	-
21XX	<b>Total current liabilities</b>		<u>1,157,065</u>	<u>33</u>	<u>1,237,421</u>	<u>32</u>	<u>1,051,872</u>	<u>29</u>
<b>Non-current liabilities</b>								
2500	Non-current financial liabilities at fair value through profit or loss	6(12)	-	-	-	-	550	-
2530	Bonds payable	6(14)	-	-	97,790	3	226,963	6
2540	Long-term borrowings	6(16)	133,472	4	155,754	4	173,293	5
2570	Deferred tax liabilities		15,461	-	17,308	-	21,456	1
2580	Lease liabilities - non-current		80,871	2	93,773	2	106,068	3
2600	Other non-current liabilities	6(17)	158,953	5	177,577	5	169,123	5
25XX	<b>Total non-current liabilities</b>		<u>388,757</u>	<u>11</u>	<u>542,202</u>	<u>14</u>	<u>697,453</u>	<u>20</u>
2XXX	<b>Total liabilities</b>		<u>1,545,822</u>	<u>44</u>	<u>1,779,623</u>	<u>46</u>	<u>1,749,325</u>	<u>49</u>
<b>Equity attributable to owners of the parent company</b>								
Share capital		6(19)						
3110	Ordinary share capital		346,105	10	332,036	9	313,454	9
3150	Stock dividend to be distributed		16,602	-	-	-	-	-
Capital surplus		6(20)						
3200	Capital surplus		1,131,397	33	1,042,305	26	923,665	27
Retained earnings		6(21)						
3320	Special reserve		96,219	3	96,219	3	96,219	3
3350	Unappropriated retained earnings		615,369	17	672,870	18	568,959	16
Other equity								
3400	Other equity		( 233,967)	( 7)	( 87,227)	( 2)	( 106,025)	( 4)
31XX	<b>Total equity attributable to owners of the parent company</b>		<u>1,971,725</u>	<u>56</u>	<u>2,056,203</u>	<u>54</u>	<u>1,796,272</u>	<u>51</u>
3XXX	<b>Total equity</b>		<u>1,971,725</u>	<u>56</u>	<u>2,056,203</u>	<u>54</u>	<u>1,796,272</u>	<u>51</u>
Material contingent liabilities and unrecognized contractual commitments		9						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 3,517,547</u>	<u>100</u>	<u>\$ 3,835,826</u>	<u>100</u>	<u>\$ 3,545,597</u>	<u>100</u>

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman : Shiang-Chi Hu

Manager : Masami Obara

Chief Accounting Officer: Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Statements of Comprehensive Income  
For the Six Months Ended June 30, 2025 and 2024

Unit: Thousands of NTD  
(except for earning per share, which is in NTD)

Item	Note	Three months ended June 30, 2025		Three months ended June 30, 2024		Six months ended June 30, 2025		Six months ended June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenue	6(22) and 7	\$ 856,014	100	\$ 890,749	100	\$ 1,724,473	100	\$ 1,738,046	100
5000 Operating cost	6(6)(27) and 7	( 710,504)	( 83)	( 705,586)	( 79)	( 1,422,806)	( 82)	( 1,388,730)	( 80)
5900 Gross profit		<u>145,510</u>	<u>17</u>	<u>185,163</u>	<u>21</u>	<u>301,667</u>	<u>18</u>	<u>349,316</u>	<u>20</u>
Operating expense	6(27) and 7								
6100 Selling expense		( 25,511)	( 3)	( 28,299)	( 3)	( 53,220)	( 3)	( 54,822)	( 3)
6200 Administrative expenses		( 59,332)	( 7)	( 77,732)	( 9)	( 129,171)	( 8)	( 154,708)	( 9)
6300 Research and development expenses		( 8,445)	( 1)	( 8,941)	( 1)	( 16,870)	( 1)	( 18,253)	( 1)
6450 Expected credit impairment gains (losses)	12	<u>13</u>	<u>-</u>	<u>( 517)</u>	<u>-</u>	<u>152</u>	<u>-</u>	<u>( 706)</u>	<u>-</u>
6000 Total operating expenses		<u>( 93,275)</u>	<u>( 11)</u>	<u>( 115,489)</u>	<u>( 13)</u>	<u>( 199,109)</u>	<u>( 12)</u>	<u>( 228,489)</u>	<u>( 13)</u>
6900 Net operating income		<u>52,235</u>	<u>6</u>	<u>69,674</u>	<u>8</u>	<u>102,558</u>	<u>6</u>	<u>120,827</u>	<u>7</u>
Non-operating income and expenses									
7100 Interest income	6(23)	3,217	-	2,160	-	5,775	-	3,993	-
7010 Other income	6(24)	705	-	685	-	1,417	-	1,385	-
7020 Other gains and losses	6(25)	( 11,284)	( 1)	6,157	1	( 14,302)	( 1)	12,351	1
7050 Financial costs	6(26)	( 2,225)	-	( 3,451)	( 1)	( 4,788)	-	( 8,044)	-
7000 Total non-operating income and expenses		<u>( 9,587)</u>	<u>( 1)</u>	<u>5,551</u>	<u>-</u>	<u>( 11,898)</u>	<u>( 1)</u>	<u>9,685</u>	<u>1</u>
7900 Net income before tax		<u>42,648</u>	<u>5</u>	<u>75,225</u>	<u>8</u>	<u>90,660</u>	<u>5</u>	<u>130,512</u>	<u>8</u>
7950 Income tax expense	6(28)	( 7,439)	( 1)	( 19,892)	( 2)	( 15,689)	( 1)	( 29,272)	( 2)
8200 Net income for this period		<u>\$ 35,209</u>	<u>4</u>	<u>\$ 55,333</u>	<u>6</u>	<u>\$ 74,971</u>	<u>4</u>	<u>\$ 101,240</u>	<u>6</u>
<b>Other comprehensive income</b>									
<b>Items not reclassified to profit or loss:</b>									
8311 Remeasurement of defined benefit plans		\$ 194	-	\$ 48	-	\$ 194	-	\$ 48	-
8316 Unrealized gains or losses on investment in equity instruments at fair value through other comprehensive income	6(4)	1,451	-	( 976)	-	6,318	1	( 12,868)	( 1)
8349 Income tax relating to items not reclassified	6(28)	<u>-</u>	<u>-</u>	<u>( 89)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 780)</u>	<u>-</u>
8310 Total amount of items not reclassified to profit or loss		<u>1,645</u>	<u>-</u>	<u>( 1,017)</u>	<u>-</u>	<u>6,512</u>	<u>1</u>	<u>( 13,600)</u>	<u>( 1)</u>
<b>Items that may subsequently be reclassified to profit or loss</b>									
8361 Exchange differences on translation of the financial statements of foreign operations		( 217,604)	( 25)	( 13,709)	( 1)	( 152,909)	( 9)	3,842	-
8360 Total amount of items that may subsequently be reclassified to profit or loss		<u>( 217,604)</u>	<u>( 25)</u>	<u>( 13,709)</u>	<u>( 1)</u>	<u>( 152,909)</u>	<u>( 9)</u>	<u>3,842</u>	<u>-</u>
8300 Other comprehensive income, net		<u>(\$ 215,959)</u>	<u>( 25)</u>	<u>(\$ 14,726)</u>	<u>( 1)</u>	<u>(\$ 146,397)</u>	<u>( 8)</u>	<u>(\$ 9,758)</u>	<u>( 1)</u>
8500 Total comprehensive income for this period		<u>(\$ 180,750)</u>	<u>( 21)</u>	<u>\$ 40,607</u>	<u>5</u>	<u>(\$ 71,426)</u>	<u>( 4)</u>	<u>\$ 91,482</u>	<u>5</u>
Net income attributable to:									
8610 Owners of the parent		<u>\$ 35,209</u>	<u>4</u>	<u>\$ 55,333</u>	<u>6</u>	<u>\$ 74,971</u>	<u>4</u>	<u>\$ 101,240</u>	<u>6</u>
Total comprehensive income (loss) attributable to:		<u>\$ 35,209</u>	<u>4</u>	<u>\$ 55,333</u>	<u>6</u>	<u>\$ 74,971</u>	<u>4</u>	<u>\$ 101,240</u>	<u>6</u>
8710 Owners of the parent		<u>(\$ 180,750)</u>	<u>( 21)</u>	<u>\$ 40,607</u>	<u>5</u>	<u>(\$ 71,426)</u>	<u>( 4)</u>	<u>\$ 91,482</u>	<u>5</u>
		<u>(\$ 180,750)</u>	<u>( 21)</u>	<u>\$ 40,607</u>	<u>5</u>	<u>(\$ 71,426)</u>	<u>( 4)</u>	<u>\$ 91,482</u>	<u>5</u>
Basic earnings per share	6(29)								
9750 Basic earnings per share		<u>\$ 1.02</u>		<u>\$ 1.77</u>		<u>\$ 2.20</u>		<u>\$ 3.30</u>	
Diluted earnings per share	6(29)								
9850 Diluted earnings per share		<u>\$ 1.01</u>		<u>\$ 1.65</u>		<u>\$ 2.15</u>		<u>\$ 3.06</u>	

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman : Shiang-Chi Hu

Manager : Masami Obara

Chief Accounting Officer: Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Statement of Changes in Equity  
For the Six Months Ended June 30, 2025 and 2024

Unit: Thousands of NTD

	Note	Equity attributable to owners of the parent							
		Share capital		Retained earnings			Other equity		Total equity
		Ordinary share capital	Stock dividend to be distributed	Capital surplus	Special reserve	Unappropriated retained earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	
<u>January 1 to June 30, 2024</u>									
Balance on January 1, 2024		\$ 294,524	\$ -	\$ 802,772	\$ 65,313	\$ 598,910	(\$ 127,530 )	\$ 31,311	\$ 1,665,300
Net income for this period		-	-	-	-	101,240	-	-	101,240
Other comprehensive income for this period		-	-	-	-	48	3,842	( 13,648 )	( 9,758 )
Total comprehensive income for this period		-	-	-	-	101,288	3,842	( 13,648 )	91,482
Earnings appropriation and distribution in 2023:									
Special reserve appropriated		-	-	-	30,906	( 30,906 )	-	-	-
Cash dividends		-	-	-	-	( 100,246 )	-	-	( 100,246 )
Proceeds from issuing shares	6(21)	18,200	-	91,000	-	-	-	-	109,200
Proceeds from issuing shares retain employee subscription remuneration costs		-	-	3,239	-	-	-	-	3,239
Share-based payment - employee stock options	6(18)	730	-	2,474	-	( 87 )	-	-	3,117
Convertible corporate bonds in issue recognized as components of equity - share options	6(14)	-	-	24,180	-	-	-	-	24,180
Balance on June 30, 2024		\$ 313,454	\$ -	\$ 923,665	\$ 96,219	\$ 568,959	(\$ 123,688 )	\$ 17,663	\$ 1,796,272
<u>January 1 to June 30, 2025</u>									
Balance on January 1, 2025		\$ 332,036	\$ -	\$ 1,042,305	\$ 96,219	\$ 672,870	(\$ 75,519 )	(\$ 11,708 )	\$ 2,056,203
Net income for this period		-	-	-	-	74,971	-	-	74,971
Other comprehensive income (loss) for this period		-	-	-	-	194	( 152,909 )	6,318	( 146,397 )
Total comprehensive income (loss) for this period		-	-	-	-	75,165	( 152,909 )	6,318	( 71,426 )
Earnings appropriation and distribution in 2024:									
Cash dividends		-	-	-	-	( 116,213 )	-	-	( 116,213 )
Stock dividends		-	16,602	-	-	( 16,602 )	-	-	-
Share-based payment - employee stock options	6(18)	1,680	-	4,083	-	-	-	-	5,763
Conversion of convertible bonds		12,389	-	85,009	-	-	-	-	97,398
Disposal of equity instruments at fair value measurement through other comprehensive income		-	-	-	-	149	-	( 149 )	-
Balance on June 30, 2025		\$ 346,105	\$ 16,602	\$ 1,131,397	\$ 96,219	\$ 615,369	(\$ 228,428 )	(\$ 5,539 )	\$ 1,971,725

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman : Shiang-Chi Hu

Manager : Masami Obara

Chief Accounting Officer: Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Statement of Cash Flows  
For the Six Months Ended June 30, 2025 and 2024

Unit: Thousands of NTD

	Note	Six months ended June 30, 2025	Six months ended June 30, 2024
<u>Cash flow from operating activities</u>			
Net income before tax for the current period		\$ 90,660	\$ 130,512
Adjustments			
Income and expenses			
Depreciation expense	6(8)(27)	61,855	59,350
Depreciation expense (including right-of-use assets)	6(9)(27)	26,042	27,143
Amortization expense	6(10)(27)	428	595
(Reversal of) Expected credit impairment loss	12(2)	( 152 )	706
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	6(2)(12)	192	( 50 )
Interest expense	6(26)	2,744	4,111
Interest expense (lease liabilities)	6(26)	1,648	2,409
Interest expense (amortized bonds payable)	6(26)	396	1,524
Interest income	6(23)	( 5,775 )	( 3,993 )
Share-based payment compensation costs	6(18)	-	3,738
Loss (gain) on disposals of property, plant and equipment	6(25)	1,399	( 274 )
Lease modification loss (gain)	6(9)	5	1
Loss on redemption of convertible bonds	6(14)	24	-
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Notes receivable		( 36,982 )	6,905
Accounts receivable (including related parties)		234,168	187,144
Other receivables		9	4,975
Inventories		( 5,756 )	( 13,299 )
Prepayments		( 1,242 )	8,558
Other current assets		5,872	5,763
Other non-current assets		824	1,295
Net changes in liabilities related to operating activities			
Contract liabilities		( 10,960 )	( 1,351 )
Notes payable		( 38,295 )	( 26,867 )
Accounts payable (including related parties)		( 97,242 )	( 81,571 )
Other payables		( 42,821 )	( 43,406 )
Other current liabilities		8,852	2,654
Other non-current liabilities		( 754 )	( 7,471 )
Cash inflow from operations		195,139	269,101
Interest collected		5,775	3,993
Interest paid	6(30)	( 5,254 )	( 8,719 )
Income tax paid		( 25,094 )	( 46,143 )
Net cash inflow from operating activities		170,566	218,232

(Continued on next page)

IKKA Holdings (Cayman) Limited and Subsidiaries  
Consolidated Statement of Cash Flows  
For the Six Months Ended June 30, 2025 and 2024

Unit: Thousands of NTD

	<u>Note</u>	<u>Six months ended June 30, 2025</u>	<u>Six months ended June 30, 2024</u>
<u>Cash flow from investing activities</u>			
Disposal of financial assets at fair value through other comprehensive income		\$ 702	\$ -
Acquisition of financial assets measured at amortized cost		-	( 39,703 )
Disposal of financial assets measured at amortized cost		26,157	-
Acquisition of financial assets at fair value through other comprehensive income		( 11,205 )	( 4,084 )
Acquisition of property, plant and equipment	6(30)	( 23,263 )	( 97,324 )
Intangible assets acquired	6(10)	( 409 )	-
Disposal of real property, plant and equipment		1,691	415
Increase in refundable deposits		959	608
Increase in prepayments for equipment		( 6,725 )	( 3,147 )
Net cash outflow from investing activities		( 12,093 )	( 143,235 )
<u>Cash flow from financing activities</u>			
Repayment of long-term borrowings	6(31)	( 26,214 )	( 25,777 )
Increase (decrease) in guarantee deposits received		( 69 )	34
Repayment of lease principal	6(31)	( 21,561 )	( 26,178 )
Decrease in short-term borrowings	6(31)	-	( 297,053 )
Bond issuance	6(31)	-	251,250
Proceeds from issuing shares	6(19)	-	109,200
Employee stock options exercised		5,763	2,618
Net cash inflow (outflow) from financing activities		( 42,081 )	14,094
Effect of exchange rate changes		( 116,217 )	( 25,900 )
Increase in cash and cash equivalents for this period		175	63,191
Opening balance of cash and cash equivalents		1,342,910	1,003,988
Ending balance of cash and cash equivalents		\$ 1,343,085	\$ 1,067,179

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman : Shiang-Chi Hu

Manager : Masami Obara

Chief Accounting Officer: Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries  
Notes to the Consolidated Financial Statements  
For the Six Months Ended June 30, 2025 and 2024

Unit: Thousands of NTD  
(Unless Otherwise Specified)

I. Company History

IKKA Holdings (Cayman) Limited (hereinafter referred to as the “Company”) was incorporated in April 2016 in the Cayman Islands with its registered office at P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands, and was restructured in January 2020. The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) mainly engage in the export, import, manufacturing, and sale of precision plastic injection molding parts and products; production of mold sets; manufacturing of molds, machinery, and precision ceramics injection molding parts. Jabon International Co., Ltd. is the parent of the Group and holds 34.45 % equity of the Company, and ABICO AVY Co., Ltd (hereinafter referred to as “ABICO”) is the parent holding 100% of JABON. CHIA MEI INVESTMENT CO., LTD. is the ultimate parent company of the Group.

II. Authorization Date and Procedures for Financial Statements

The consolidated financial statements were approved and announced by the Board of Directors on August 7, 2025.

III. Implementation of New Standards, Amendments, and Interpretations

(I) Effect of the adoption of new issuance of or amendments to International Financial Reporting Standards (“IFRS”) Accounting Standards as endorsed by the Financial Supervisory Commission (“FSC”)

The table below lists the new, revised, and amended standards and interpretations of the IFRS as endorsed and issued by the FSC in 2025:

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective date by IASB</u>
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The above standards and interpretations have no significant impact on the Group’s financial condition and financial performance based on the assessment of the Group.

(II) Effect of new issuance of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

The table below lists the new, revised, and amended standards and interpretations of the IFRS Accounting Standards endorsed and issued by the FSC in 2026:

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective date by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRSs 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 & 9—Comparative Information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact on the Group’s financial condition and financial performance based on the assessment of the Group, except for the following:

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

With the amendment, equity instruments irrevocably designated at Fair Value Through Other Comprehensive Income (FVOCI) require entities to disclose their fair value by category, without the need to disclose fair value information for each instrument. Additionally, fair value gains and losses recognized in other comprehensive income during the reporting period should be disclosed separately as the fair value gains and losses related to investments derecognized during the reporting period, and the fair value gains and losses related to investments still held as of the end of the reporting period; as well as the cumulative gains and losses transferred to equity during the reporting period due to the derecognition of investments.

(III) Effect of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The table below lists the new, revised, and amended standards and interpretations of the IFRS Accounting Standards issued by the IASB but not yet endorsed by the FSC:

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective date by IASB</u>
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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
IFRS 19 “Disclosure of Non-publicly Accountable Subsidiaries”	January 1, 2027

The above standards and interpretations have no significant impact on the Group’s financial condition and financial performance based on the assessment of the Group, except for the following:

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” IFRS 18 “Presentation and Disclosure of Financial Statements” replaces IAS 1 and updates the structure of the statement of comprehensive income, adds disclosure of management performance measures, and strengthens the principles of aggregation and disaggregation applied to the primary financial statements and notes.

#### IV. Summary of Key Accounting Policies

The significant accounting policies are the same as those in Note 4 of the Consolidated Financial Statements for the year 2024, except for the Compliance Statement, the Basis of Preparation, the Basis for Consolidation, and the Addition stated in the following section. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (I) Compliance Statement

1. The Consolidated Financial Statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued by the FSC.
2. These Consolidated Financial Statements should be read in conjunction with the 2024 Consolidated Financial Statements.

##### (II) Basis of Preparation

1. Except for the following items, the consolidated financial statements have been prepared under the historical cost basis:
  - (1) Financial assets and liabilities (including derivative instruments) at fair value through profit or loss.
  - (2) Financial assets at fair value through other comprehensive income.
  - (3) Net defined benefit liabilities recognized by pension fund assets less the present value of defined benefit obligations.
2. The preparation of financial statements in conformity with the International Financial

Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretation Committee (IFRIC), and the Standing Interpretation Committee (SIC) (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. Management is also required to exercise its judgment in the process of applying the accounting policies of the Group. The items involving a higher degree of judgment or complexity, or items where assumptions and estimates are significant to the Consolidated Financial Statements, are disclosed in Note 5.

### (III) Basis for Consolidation

#### 1. Principles for preparation of consolidated financial statements

- (1) All subsidiaries are included in the Consolidated Financial Statements of the Group. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and could affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (2) Inter-company transactions, balances, and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

#### 2. Subsidiaries included in the Consolidated Financial Statements :

Name of investor The Company	Name of subsidiary	Business category	Shareholding (%)			Remark
			June 30, 2025	December 31, 2024	June 30, 2024	
	DaiichiKasei Co., Ltd. (DaiichiKasei)	Manufacturing precision plastic injection molding parts and molding sets, molds and machinery, and precision ceramics molding parts	100.00	100.00	100.00	-
The Company	Sol-Plus (HK) Co., Limited. (Sol-Plus HK)	Investment	100.00	100.00	100.00	-
DaiichiKasei Co., Ltd.	M. A. C. Technology (Malaysia) Sdn. Bhd. (M. A. C. Technology)	Assembly and manufacturing of CD and CD-ROM, computer printers, precision ceramics and molds for electronic and industrial use, and plastic injection components for the electronic and camera industries	100.00	100.00	100.00	-
DaiichiKasei Co., Ltd.	IKKA Technology (Vietnam) Co., Ltd. (IKKA Vietnam)	Production, operation, and processing of automobiles and common plastic and metal parts for office equipment	100.00	100.00	100.00	-
DaiichiKasei Co., Ltd.	IKKA (Hong Kong) Co., Ltd. (IKKA HK)	Investment and trade	100.00	100.00	100.00	-
IKKA (Hong Kong) Co., Ltd.	IKKA Technology DongGuan Co., Ltd. (IKKA Technology)	Production and sale of precise plastic accessories, hardware accessories, bearings, and molds	100.00	100.00	100.00	-

DongGuan)

Sol-Plus (HK) Co., Limited. (Sol-Plus HK)	Sol-Plus Co., Ltd. (Sol-Plus JP)	Manufacturing and selling plastic products and molds	100.00	100.00	100.00	-
Sol-Plus Co., Ltd. (Sol-Plus JP)	Hiraiseimitsu (Thailand) Co., Ltd. (Hiraiseimitsu)	Manufacturing and selling plastic products and molds	100.00	100.00	100.00	-

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustment and treatment methods of subsidiaries' different accounting periods: None
5. Major restrictions: None.
6. Subsidiaries with non-controlling interests that are material to the Group: None.

#### (IV) Inventories

Inventories are measured at the lower of cost and net realizable value, while cost is determined by the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs, and related production overheads, but excludes borrowing costs. The item-by-item approach is adopted in comparing the lower cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated costs necessary to make the sale.

## (V) Employee benefits

### 1. Short-term employee benefits

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

### 2. Pension

#### (1) Defined contribution plans

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

#### (2) Defined benefit plans

- A. The net obligation under a defined benefit plan is calculated by discounting the amount of future benefits earned by employees for current or past service and reducing the fair value of plan assets by the present value of the defined benefit obligation at the balance sheet date. The net defined benefit obligation is calculated annually by an actuary using the projected unit credit method. The discount rate is determined by reference to the market yield rate of high-quality corporate bonds at the balance sheet date that corresponds to the currency and period of the defined benefit plan, or, in countries where there is no deep market for high-quality corporate bonds, by using the market yield rate of government bonds (at the balance sheet date).
- B. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are expressed as retained earnings.
- C. The related expenses of past service costs are recognized immediately in profit or loss.
- D. Pension costs during interim periods are calculated based on the pension cost rate determined by actuarial valuation at the end of the previous fiscal year, from the beginning of the year to the end of the interim period. If there are significant market fluctuations or material curtailments, settlements, or other significant one-time events after the end date, adjustments will be made accordingly, and relevant information will be disclosed in accordance with the aforementioned policies.

### 3. Employee and Directors Compensation

Employee compensation and directors' compensation are recognized as expenses and liabilities when there is a legal or constructive obligation, and the amount can be reasonably estimated. Subsequently, if the actual amount of allotment differs from the estimated

amount, the difference is recognized as a change in accounting estimate.

(VI) Income tax

1. The tax expense comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns in accordance with applicable tax regulations and estimates income tax liabilities based on the amounts expected to be paid to the tax authorities. The income tax surtaxed in unappropriated retained earnings in accordance with the income tax law shall be recognized as unappropriated retained earnings income tax expense based on the actual distribution of earnings after the earnings appropriation plan is approved by the shareholders' meeting in the year following the year in which the earnings were generated.
3. Recognized based on the balance sheet liability method, deferred tax is the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax liabilities arising from the initial recognition of goodwill are not recognized. Deferred income tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction (excluding a business combination) and, at the time of the transaction, did not affect accounting profit or taxable profit (tax loss), and did not give rise to equal taxable and deductible temporary differences. Deferred tax assets are not recognized for temporary differences arising from investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
4. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
5. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when there is an intention to settle on a net basis, or to realize assets and settle liabilities simultaneously. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax assets and liabilities

assessed by the same tax authority arise from the same taxpayer, or from different taxpayers, but each intends to settle on a net basis, or to realize assets and settle liabilities simultaneously.

6. Unused income tax credits carried forward from the acquisition of equipment or technology, research and development expenditures, and equity investments are recognized as deferred tax assets to the extent that it is probable that future taxable profit will be available against which the unused income tax credits can be utilized.
7. When tax rates change during an interim period, the Group recognizes the effect of the change in the period in which the change occurs. For income tax related to items recognized outside profit or loss, the effect of the change is recognized in other comprehensive income or equity items. For income tax related to items recognized in profit or loss, the effect of the change is recognized in profit or loss.

## V. Significant Accounting Judgments, Estimates, and Sources of Assumption Uncertainty

During the preparation of the consolidated financial statements, the management has exercised its judgment to adopt the accounting policies to be used, and made accounting estimates and assumptions based on reasonable expectations of future events with reference to the circumstances at the balance sheet date. If there is any difference between any critical accounting estimates and assumptions made and actual results, assessment and adjustment will be conducted continuously by considering the historical experience and other factors. Such estimates and assumptions have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year. Please refer to the description of the uncertainties of critical accounting judgments, estimation, and assumptions below:

### (I) Significant judgments for applying the Group accounting policies

None

### (II) Significant accounting estimates and assumptions

#### Valuation of Inventories

The Group should exercise judgment and carry out an estimation to determine the net realizable value of inventory at the balance sheet date, as inventory should be measured at the lower of cost or net realizable value. Due to rapid changes in technology, the Group recognizes a loss at a net realizable value after assessing the amount of the inventory worn and torn, obsolete, or damaged on the balance sheet date, as well as the market sales value. This inventory valuation is conducted mainly based on the estimated product demand over a specific period in the future, so there may be significant changes.

As of June 30, 2025, the carrying amount of the Group's inventory was \$341,065.

## VI. Details of Significant Accounts

### (I) Cash and cash equivalents

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Cash on hand and revolving fund	\$ 1,195	\$ 1,432	\$ 1,381
Checks and demand deposits	1,289,161	1,264,601	1,017,130
Time deposits (a duration of less than three months)	<u>52,729</u>	<u>76,877</u>	<u>48,668</u>
	<u>\$ 1,343,085</u>	<u>\$ 1,342,910</u>	<u>\$ 1,067,179</u>

1. The Group transacts with financial institutions of high credit ratings and deals with various financial institutions at the same time to diversify credit risks. Therefore, the expected risk

of default is rather low. Thus, the allowance for loss of the Group measured by the 12-month expected credit loss is not found as of June 30, 2025, December 31, 2024, and June 30, 2024.

2. The Group's time deposits pledged as collateral have been reclassified to “current financial assets at amortized cost”. Please refer to Note 8 for details.

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

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Non-current item:			
Financial assets held for trading			
Derivatives	\$ -	(\$ 1,544)	\$ -
Adjustments for changes in value	-	2,248	-
Total	<u>\$ -</u>	<u>\$ 704</u>	<u>\$ -</u>

Losses recognized by the Company from financial assets at fair value measurement through profit or loss for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, were \$47, \$0, \$192, and \$0, respectively.

(III) Financial assets at amortized cost

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current items:			
Time deposits (a duration of more than three months)	<u>\$ 64,205</u>	<u>\$ 96,078</u>	<u>\$ 101,339</u>

1. The details of financial assets measured at amortized cost and recognized in profit or loss are as follows:

	<u>Three months ended June 30, 2025</u>	<u>Three months ended June 30, 2024</u>
Interest income	<u>\$ 588</u>	<u>\$ 857</u>
	<u>Six months ended June 30, 2025</u>	<u>Six months ended June 30, 2024</u>
Interest income	<u>\$ 1,465</u>	<u>\$ 1,466</u>

2. Regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's financial assets at amortized cost are their carrying amounts as of June 30, 2025, December 31, 2024, and June 30, 2024.



3. Please refer to Note 8 for details of the financial assets measured at amortized cost pledged by the Group.
4. The Group invests in certificates of deposit with financial institutions of high credit ratings. Therefore, the expected risk of default is rather low. Please refer to Note 12(2) for details of the related credit risk of financial assets measured at amortized cost.

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

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Non-current item:			
Equity instruments			
TWSE/TPEX listed			
stocks	\$ -	\$ -	\$ 8,544
Stocks listed on the			
emerging stock market	38,947	39,500	39,500
Unlisted stocks	<u>18,205</u>	<u>7,000</u>	<u>7,000</u>
	57,152	46,500	55,044
Adjustments for			
evaluation	<u>( 5,539)</u>	<u>( 11,708)</u>	<u>21,979</u>
	<u>\$ 51,613</u>	<u>\$ 34,792</u>	<u>\$ 77,023</u>

1. The Group has opted to classify strategic equity investments as financial assets measured at fair value measurement through other comprehensive income, with fair values of \$51,613, \$34,792, and \$77,023 as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.
2. The details of financial assets at fair value through other comprehensive income recognized in total income are as follows:

	Three months ended June 30, 2025	Three months ended June 30, 2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Change in fair value recognized in other comprehensive income (loss)	\$ 1,451	(\$ 976)
Accumulated profits reclassified as retained earnings due to derecognition	\$ 149	\$ -
	Six months ended June 30, 2025	Six months ended June 30, 2024
<u>Equity instruments at fair value through other comprehensive income</u>		
Change in fair value recognized in other comprehensive income (loss)	\$ 6,318	(\$ 12,868)
Accumulated profits reclassified as retained earnings due to derecognition	\$ 149	\$ -

- Regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's financial assets at fair value through other comprehensive income are their carrying amounts as of June 30, 2025, December 31, 2024, and June 30, 2024.
- The Group did not pledge financial assets at fair value through other comprehensive income measurement.
- Please refer to Note 12(2) for more information on the credit risk of financial assets at fair value through other comprehensive income.

(V) Notes receivable and accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ 51,659	\$ 14,677	\$ 18,502
Accounts receivable	\$ 664,665	\$ 896,434	\$ 818,334
Less: allowance for losses - accounts receivable	( 321)	( 490)	( 1,242)
	\$ 664,344	\$ 895,944	\$ 817,092
Accounts receivable - related parties	\$ 2,076	\$ 4,475	\$ 1,654

1. The aging analysis of accounts (including related parties) and notes receivable is as follows:

	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not past due	\$ 666,110	\$ 51,659	\$ 900,054	\$ 14,677
1 to 90 days				
past due	<u>631</u>	<u>-</u>	<u>855</u>	<u>-</u>
	<u>\$ 666,741</u>	<u>\$ 51,659</u>	<u>\$ 900,909</u>	<u>\$ 14,677</u>

  

	<u>June 30, 2024</u>	
	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not past due	\$ 800,570	\$ 18,502
1 to 90 days		
past due	19,418	-
91 to 180		
days past		
due	<u>-</u>	<u>-</u>
	<u>\$ 819,988</u>	<u>\$ 18,502</u>

The aging analysis stated above is based on the number of overdue days.

2. As of June 30, 2025, December 31, 2024, and June 30, 2024, balances of accounts receivable and notes receivable all arose from contracts with customers. Additionally, as of January 1, 2024, the balance of receivables from customer contracts was \$1,020,011.
3. The Group did not pledge notes and accounts receivable.
4. Regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's notes and accounts receivable are their carrying amounts as of June 30, 2025, December 31, 2024, and June 30, 2024.
5. DaiichiKasei and IKKA Technology DongGuan, the subsidiaries of the Group, have signed accounts receivable sales contracts with several financial institutions in Japan and China. DaiichiKasei and IKKA Technology DongGuan decided whether to sell the accounts receivable to financial institutions without recourse or not, depending on the amount of their operating capital. The Group manages such receivables through collecting contractual cash flows and selling financial assets, so such accounts receivable are financial assets at fair value through other comprehensive income.
6. As of June 30, 2025, December 31, 2024, and June 30, 2024, the expected sales of accounts receivable were \$144,770, \$100,067, and \$89,259, respectively, and are financial assets at fair value measurement through other comprehensive income that are recognized as accounts receivable.
7. Please refer to Note 12(2) for information on the credit risk of accounts and notes receivable.

(VI) Inventories

			<u>June 30, 2025</u>	
		<u>Costs</u>	<u>Allowance for</u> <u>valuation losses</u>	<u>Carrying Amount</u>
Raw materials	\$	130,548	(\$ 19,978)	\$ 110,570
work in progress		134,737	( 5,176)	129,561
Finished goods		87,987	( 5,861)	82,126
Inventories in transit		<u>18,808</u>	<u>-</u>	<u>18,808</u>
	\$	<u>372,080</u>	<u>(\$ 31,015)</u>	<u>\$ 341,065</u>

			<u>December 31, 2024</u>	
		<u>Costs</u>	<u>Allowance for</u> <u>valuation losses</u>	<u>Carrying Amount</u>
Raw materials	\$	142,716	(\$ 25,790)	\$ 116,926
work in progress		146,131	( 6,868)	139,263
Finished goods		102,921	( 7,747)	95,174
Inventories in transit		<u>4,636</u>	<u>-</u>	<u>4,636</u>
	\$	<u>396,404</u>	<u>(\$ 40,405)</u>	<u>\$ 355,999</u>

			<u>June 30, 2024</u>	
		<u>Costs</u>	<u>Allowance for</u> <u>valuation losses</u>	<u>Carrying Amount</u>
Raw materials	\$	165,549	(\$ 27,348)	\$ 138,201
work in progress		150,684	( 6,687)	143,997
Finished goods		112,247	( 10,877)	101,370
Inventories in transit		<u>4,878</u>	<u>-</u>	<u>4,878</u>
	\$	<u>433,358</u>	<u>(\$ 44,912)</u>	<u>\$ 388,446</u>

The Group's inventory cost is recognized in expenses for the current period:

	Three months ended June 30, 2025	Three months ended June 30, 2024
Cost of inventory sold	\$ 732,859	\$ 734,301
Reversal of inventory write-downs	( 653)	( 9,492)
Income from the sale of scraps	( 21,702)	( 19,223)
	<u>\$ 710,504</u>	<u>\$ 705,586</u>
	Six months ended June 30, 2025	Six months ended June 30, 2024
Cost of inventory sold	\$ 1,474,409	\$ 1,439,128
Reversal of inventory write-downs	( 7,211)	( 15,887)
Income from the sale of scraps	( 44,392)	( 34,511)
	<u>\$ 1,422,806</u>	<u>\$ 1,388,730</u>

The Group recognized inventory write-back gains for the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, due to inventory destocking.

(VII) Other current assets

Item	June 30, 2025	December 31, 2024	June 30, 2024
Assets not managed by the principal (Note)	\$ 38,518	\$ 40,686	\$ 31,845
Other	1,136	4,840	4,071
	<u>\$ 39,654</u>	<u>\$ 45,526</u>	<u>\$ 35,916</u>

Note: The purchase transaction model of the Group with some suppliers is processing with raw materials. Before the specific goods are transferred to the customers, the Group only temporarily holds these assets. Since no inventory risk and ownership of the goods is assumed, the Group has no control over the goods. Therefore, it is listed under other current assets before the goods are transferred to the customer.

(VIII) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other</u>	<u>Total</u>
<u>January 1, 2025</u>							
Costs	\$ 243,366	\$1,015,771	\$1,856,070	\$ 16,221	\$ 71,782	\$ 393,169	\$3,596,379
Accumulated depreciation and impairment	-	( 885,318)	(1,564,438)	( 11,070)	( 64,953)	( 307,904)	(2,833,683)
	<u>\$ 243,366</u>	<u>\$ 130,453</u>	<u>\$ 291,632</u>	<u>\$ 5,151</u>	<u>\$ 6,829</u>	<u>\$ 85,265</u>	<u>\$ 762,696</u>
<u>2025</u>							
Opening balance	\$ 243,366	\$ 130,453	\$ 291,632	\$ 5,151	\$ 6,829	\$ 85,265	\$ 762,696
Additions	-	2,031	21,776	242	543	14,450	39,042
Reclassification	-	( 158)	18,572	419	( 2,964)	( 8,386)	7,483
Disposal	-	-	( 3,057)	-	( 28)	( 5)	( 3,090)
Depreciation expense	-	( 6,757)	( 38,833)	( 652)	( 645)	( 14,968)	( 61,855)
Net exchange difference	( 11,822)	( 8,614)	( 16,940)	( 259)	( 284)	( 4,719)	( 42,638)
Ending balance	<u>\$ 231,544</u>	<u>\$ 116,955</u>	<u>\$ 273,150</u>	<u>\$ 4,901</u>	<u>\$ 3,451</u>	<u>\$ 71,637</u>	<u>\$ 701,638</u>
<u>June 30, 2025</u>							
Costs	\$ 231,544	\$ 973,583	\$1,753,447	\$ 16,116	\$ 18,861	\$ 416,470	\$3,410,021
Accumulated depreciation and impairment	-	( 856,628)	(1,480,297)	( 11,215)	( 15,410)	( 344,833)	(2,708,383)
	<u>\$ 231,544</u>	<u>\$ 116,955</u>	<u>\$ 273,150</u>	<u>\$ 4,901</u>	<u>\$ 3,451</u>	<u>\$ 71,637</u>	<u>\$ 701,638</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other</u>	<u>Total</u>
<u>January 1, 2024</u>							
Costs	\$ 245,208	\$ 998,665	\$1,780,401	\$ 13,142	\$ 76,309	\$ 398,245	\$3,511,970
Accumulated depreciation and impairment	-	( 887,424)	(1,489,755)	( 11,037)	( 75,272)	( 318,126)	(2,781,614)
	<u>\$ 245,208</u>	<u>\$ 111,241</u>	<u>\$ 290,646</u>	<u>\$ 2,105</u>	<u>\$ 1,037</u>	<u>\$ 80,119</u>	<u>\$ 730,356</u>
<u>2024</u>							
Opening balance	\$ 245,208	\$ 111,241	\$ 290,646	\$ 2,105	\$ 1,037	\$ 80,119	\$ 730,356
Additions	-	621	30,591	1,147	2,279	56,127	90,765
Reclassification	-	-	1,810	-	-	( 127)	1,683
Disposal	-	-	( 104)	-	( 23)	( 14)	( 141)
Depreciation expense	-	( 6,566)	( 38,842)	( 318)	( 1,496)	( 12,128)	( 59,350)
Net exchange difference	( 10,090)	1,753	( 2,528)	1	1,292	( 3,847)	( 13,419)
Ending balance	<u>\$ 235,118</u>	<u>\$ 107,049</u>	<u>\$ 281,573</u>	<u>\$ 2,935</u>	<u>\$ 3,089</u>	<u>\$ 120,130</u>	<u>\$ 749,894</u>
<u>June 30, 2024</u>							
Costs	\$ 235,118	\$ 948,499	\$1,788,353	\$ 12,971	\$ 61,263	\$ 454,080	\$3,500,284
Accumulated depreciation and impairment	-	( 841,450)	(1,506,780)	( 10,036)	( 58,174)	( 333,950)	(2,750,390)
	<u>\$ 235,118</u>	<u>\$ 107,049</u>	<u>\$ 281,573</u>	<u>\$ 2,935</u>	<u>\$ 3,089</u>	<u>\$ 120,130</u>	<u>\$ 749,894</u>

Please refer to Note 8 for information on property, plant and equipment pledged as collateral.

(IX) Lease Transactions - Lessee

1. The assets leased by the Group are land, buildings, machinery and equipment, transportation equipment, and other equipment, and the lease terms are usually 2 – 10 years. The lease contract is negotiated individually and contains various terms and conditions, and no other restrictions are imposed except that the assets leased shall not be used as collateral for loans.
2. The lease terms of offices, employee dormitories, car parking spaces, and computer software leased by the Group are not more than 12 months, and the computer equipment leased is a low-value asset.
3. The information on the carrying amount of the right-of-use assets and the depreciation expenses recognized is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 16,553	\$ 18,832	\$ 18,946
Buildings	116,281	145,056	150,368
Machinery and equipment	3,783	4,787	5,798
Transportation equipment (company cars)	2,798	3,040	3,669
Office equipment	740	969	1,128
	<u>\$ 140,155</u>	<u>\$ 172,684</u>	<u>\$ 179,909</u>

	<u>Three months ended</u> <u>June 30, 2025</u>	<u>Three months ended</u> <u>June 30, 2024</u>
	<u>Depreciation expense</u>	<u>Depreciation expense</u>
Land	\$ 146	\$ 153
Buildings	11,691	11,841
Machinery and equipment	449	909
Transportation equipment (company cars)	399	511
Office equipment	105	101
	<u>\$ 12,790</u>	<u>\$ 13,515</u>

	<u>Six months ended</u> <u>June 30, 2025</u>	<u>Six months ended</u> <u>June 30, 2024</u>
	<u>Depreciation expense</u>	<u>Depreciation expense</u>
Land	\$ 301	\$ 301
Buildings	23,834	23,604
Machinery and equipment	903	1,883
Transportation equipment (company cars)	794	1,140
Office equipment	210	205
Other equipment	-	10
	<u>\$ 26,042</u>	<u>\$ 27,143</u>

4. The additions of the Group's right-of-use assets for the six months ended June 30, 2025

and 2024, amounted to \$1,209 and \$2,944, respectively.

5. Information on the profit or loss item related to lease contracts is as follows:

	Three months ended <u>June 30, 2025</u>		Three months ended <u>June 30, 2024</u>	
<u>Items that affect current profit or loss</u>				
Interest expense on lease liabilities	\$	739	\$	1,138
Expenses on short-term lease contracts		1,312		1,209
Expenses on low-value assets leased		161		191
Lease modification loss (gain)	(	6)		-
	Six months ended <u>June 30, 2025</u>		Six months ended <u>June 30, 2024</u>	
<u>Items that affect current profit or loss</u>				
Interest expense on lease liabilities	\$	1,648	\$	2,409
Expenses on short-term lease contracts		2,645		2,422
Expenses on low-value assets leased		328		334
Lease modification loss (gain)	(	5)	(	1)

6. The total cash outflow for leases of the Group for the six months ended June 30, 2025 and 2024 were \$26,182 and \$31,343, respectively.

(X) Intangible assets

	<u>Computer software</u>		<u>Computer software</u>	
	<u>June 30, 2025</u>		<u>June 30, 2024</u>	
<u>Opening balance</u>				
Costs	\$	56,923	\$	51,834
Accumulated amortization	(	54,101)	(	49,602)
	\$	2,822	\$	2,232
Opening balance	\$	2,822	\$	2,232
Current purchase		409		-
Amortization expense	(	428)	(	595)
Net exchange difference	(	142)	(	98)
	\$	2,661	\$	1,539



<u>Ending balance</u>				
Costs	\$	54,226	\$	50,562
Accumulated amortization	(	51,565)	(	49,023)
	\$	<u>2,661</u>	\$	<u>1,539</u>

(XI) Short-term borrowings

<u>Category of borrowings</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Bank borrowings			
Secured borrowings			
Bank syndicated borrowings			
(Note1)	\$ 105,768	\$ 109,148	\$ -
Secured bank borrowings			
(Note2)	36,612	37,782	36,306
Credit borrowings			
Bank syndicated borrowings			
(Note1)	<u>36,612</u>	<u>37,782</u>	<u>-</u>
	<u>\$ 178,992</u>	<u>\$ 184,712</u>	<u>\$ 36,306</u>

Note 1: The interest rate range for bank syndicated borrowings was 1.8% and 1.39% as of June 30, 2025 and December 31, 2024, respectively, and the related guarantees are described in Note 8 for details. Under the terms of the borrowing contracts, the annual financial statements of DaiichiKasei should be maintained under the following conditions during the contract period:

A. No operating loss for two consecutive years.

B. Net assets should be maintained at 75% or more of the net assets for the two years prior to the signing of the contract or for the most recent year.

The above financial ratios and contracts are reviewed annually.

Note 2: The interest rate ranges were 1.33%, 1.33% and 1.33% as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

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

<u>Item</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Non-current item:			
Financial liabilities held for trading			
Derivatives	\$ -	\$ -	\$ 600
Valuation Adjustment	<u>-</u>	<u>-</u>	<u>( 50)</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 550</u>

The Group's gains (losses) recognized on financial liabilities at fair value measurement through profit or loss were \$0, (\$75), \$0, and \$50 for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, respectively.

(XIII) Notes payable

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Occurrence due to business	\$ 77,707	\$ 130,566	\$ 107,767
Occurrence not due to business	21,531	6,967	1,419
	<u>\$ 99,238</u>	<u>\$ 137,533</u>	<u>\$ 109,186</u>

(XIV) Bonds payable

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Bonds payable	\$ -	\$ 106,600	\$ 250,000
Less: discount on bonds payable	-	( 8,810)	( 23,037)
	<u>\$ -</u>	<u>\$ 97,790</u>	<u>\$ 226,963</u>

1. The Company issued the first domestic convertible corporate bonds upon approval by the competent authority.

(1) The issuance terms are as follows:

- A. The total amount is \$250,000, with a 0% coupon rate and a term of 5 years. The bonds will be in circulation from March 4, 2024 to March 4, 2029. Upon maturity, the convertible bonds will be redeemed in cash at face value in a lump sum. The convertible corporate bonds were listed and commenced trading on the Taipei Exchange (TPEX) on March 4, 2024.
- B. The bondholders have the right to request the Company to convert the bonds into common stocks of the Company at any time from the date after three months from the issue date of the bonds to the maturity date, except during the suspension period as specified in the terms of the bonds or by the laws and regulations. The rights and obligations of the converted shares are the same as those of the issued and original common stocks.
- C. The conversion price of the convertible corporate bonds is determined in accordance with the pricing model stipulated in the conversion terms. In the event of an anti-dilution clause, the conversion price will be adjusted in accordance with the pricing model stipulated in the conversion terms. Then, on the base date of the regulation promulgation, the conversion price shall be reset according to the pricing model stipulated in the conversion terms. The conversion price of this

convertible corporate bond is NT\$88.8 per share, and the conversion price was adjusted to NT\$85.8 from September 10, 2024.

- D. Bondholders may request the Company to repurchase the convertible bonds at face value plus interest compensation three years after the issuance date.
  - E. The Company may repurchase all the bonds in cash at the bonds' face value at any time after the following events occur: (1) the closing price of the Company's common shares is more than 30% (inclusive) of the conversion price for 30 consecutive business days during the period from the date after three months of the bonds issuance date to 40 days before the maturity date; or (2) the outstanding balance of the bonds is less than 10% of the original issuance amount during the period from the date after three months of the bonds issuance date to 40 days before the maturity date.
  - F. According to the conversion terms, all the convertible corporate bonds recovered (including repurchase from the over-the-counter market), redeemed, or converted will be canceled, and cannot be sold or issued again. The conversion rights attached thereto will be eliminated.
  - G. The Company redeemed and canceled corporate bonds upon bondholders exercising their put option. As of June 30, 2025, a total of 3 bonds were redeemed, with a par value of NT\$300. The Company allocated the call price to the liability component, and the difference between the allocated amount to the liability component and its carrying amount was recognized as other losses of NT\$24.
  - H. As of June 30, 2025, the face value of the convertible corporate bonds totaling NT\$249,700 was converted into 2,910 thousand ordinary shares, and the registration of the change was completed on July 11, 2025.
- (2) Regarding the issuance of the first convertible corporate bonds, the Group separated the conversion rights of the nature of Equity from each liability component in accordance with the provisions of IAS 32 "Financial Instruments: Presentation", and recognized in "Capital surplus, share options" amounting to \$24,180. The call options and put options embedded in bonds payable were separated from the debt instruments of their host contracts, as their economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and were recognized in "financial liabilities at fair value through profit or loss" in net amount in accordance with IFRS 9 "Financial Instruments". The effective interest rate of the bonds payable after such separation was 2.0677%.

(XV) Other payables

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
dividends payable	\$ 116,213	\$ -	\$ 100,246
Salary and year-end bonuses	77,240	101,797	84,955

payable			
Business tax payable (value-added tax payable)	47,601	41,394	38,838
Remuneration payable to employees and directors	41,134	29,252	32,771
Pensions payable	17,772	17,846	19,006
Service payment payable	11,424	15,909	11,937
Insurance payable	5,231	10,297	11,282
Utilities payable	9,545	9,415	9,854
Freight payable	7,339	8,297	9,587
Interest payable	1,372	1,838	1,617
Business facilities payable	2,120	904	7,721
Rent payable	194	275	207
Other	38,348	49,990	44,077
	<u>\$ 375,533</u>	<u>\$ 287,214</u>	<u>\$ 372,098</u>

(XVI) Long-term loans

<u>Category of borrowings</u>	<u>Borrowing period</u>	<u>Interest rate range</u>	<u>Amount</u>
Secured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.85%	\$ 99,174
Unsecured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.63%	47,531
Bank credit borrowings	2020/10/23 – 2030/9/25	The interest rate before October 2024 was 0%. Thereafter, the interest rate is 1.7% – 2%.	15,257
Bank credit borrowings	2021/3/25 – 2031/3/20	1.14%	6,427
Bank credit borrowings	2022/11/22 – 2025/10/31	0.98% – 1.09%	6,294
			<u>174,683</u>
Less: long-term borrowings due within one year			( 41,211)
			<u>\$ 133,472</u>

December 31, 2024

<u>Category of borrowings</u>	<u>Borrowing period</u>	<u>Interest rate range</u>	<u>Amount</u>
Secured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.85%	\$ 113,118
Unsecured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.85%	54,214
Bank credit borrowings	2020/10/23 – 2030/9/25	The interest rate before October 2024 was 0%, thereafter the interest rate is 2%	17,243
Bank credit borrowings	2021/3/25 – 2031/3/20	1.14%	7,212
Bank credit borrowings	2022/11/22 – 2025/10/31	0.98% – 1.09%	13,694
			205,481
Less: long-term borrowings due within one year			( 49,727)
			<u>\$ 155,754</u>

June 30, 2024

<u>Category of borrowings</u>	<u>Borrowing period</u>	<u>Interest rate range</u>	<u>Amount</u>
Secured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.85%	\$ 119,052
Unsecured borrowings			
Bank syndicated borrowings (Note1)	2021/3/31 – 2030/3/29	0.61% – 0.85%	57,058
Bank credit borrowings	2020/10/23 – 2030/9/25	The interest rate before October 2024 was 0%; thereafter, the interest rate was 2%	18,010
Bank credit borrowings	2021/3/25 – 2031/3/20	1.14%	7,487
Bank credit borrowings	2022/11/22 – 2025/10/31	0.98% – 1.09%	20,156
			221,763
Less: long-term borrowings due within one year			( 48,470)
			<u>\$ 173,293</u>

Note 1: Under the terms of the borrowing contracts, the annual financial statements of DaiichiKasei should be maintained under the following conditions during the contract period:

A. No operating loss for two consecutive years.

B. Net assets should be maintained at 75% or more of the net assets for the two years

prior to the signing of the contract or for the most recent year.

The above financial ratios and contracts are reviewed annually.

Note 2: Please refer to Note 8 for details of the collateral for the above long-term borrowings.

(XVII) Pension

1. The pension costs of defined benefit plan of the Company's subsidiary, DaiichiKasei, recognized for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, were calculated using the actuarial determined pension cost rate on June 30, 2025 and June 30, 2024, and the amounts were \$1,418, \$2,031, \$3,398 and \$4,105, respectively.
2. Except for the above-mentioned subsidiaries, the remaining overseas subsidiaries have made pension contributions in accordance with the regulations of the local government. The pension costs recognized for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, amounted to \$5,132, \$7,263, \$10,324, and \$14,572, respectively.

(XVIII) Share-based payment

1. For the period from January 1 to June 30, 2025 and 2024, the Group's share-based payments agreement is as follows:

<u>Agreement Type</u>	<u>Paying date</u>	Issuance amount (Unit: thousand shares)	Contract <u>Period</u>	<u>Vesting conditions</u>
Employee stock options plan	2020.07.17	3,000	5 years	2 – 4 years employment (note)
Issuing shares reserved for employee stock options	2024.01.29	106	-	Immediately vested

Note: The stock option holder may exercise the right to subscribe to shares two years after being granted the employee stock option certificate, in accordance with this plan. The validity period of the stock option certificate shall be five years from the date of granting the employee stock option certificate. It shall not be transferable, pledged, gifted to others, or disposed of by any other means, except in cases of inheritance.

<u>Time frame</u>	<u>Cumulative proportion of exercisable stock options</u>
After 2 years (starting from the third year)	50%
After 3 years (starting from the fourth year)	75%
After 4 years (starting from the fifth year)	100%

The aforementioned share-based payment agreement is settled in equity.

2. Details of the aforementioned share-based payments agreement are as follows:

<u>Six months ended June 30, 2025</u>		
	<u>Number of stock options (Unit: thousand shares)</u>	<u>Weighted-average exercise price (NTD)</u>
Outstanding stock options at the beginning of the period	456	\$ 34.3
Stock options executed for the current period	(168)	34.3
Outstanding stock options at the end of the period	<u>288</u>	34.3
Exercisable stock options at the end of the period	<u>288</u>	34.3

<u>Six months ended June 30, 2024</u>		
	<u>Number of stock options (Unit: thousand shares)</u>	<u>Weighted-average exercise price (NTD)</u>
Outstanding stock options at the beginning of the period	716	\$ 36.3
Stock options executed for the current period	(73)	35.9
Outstanding stock options at the end of the period	<u>643</u>	35.7
Exercisable stock options at the end of the period	<u>374</u>	35.7

The weighted average share prices on the exercise dates for stock options for the six months ended June 30, 2025 and 2024 were NT\$34.3 and NT\$35.9, respectively.

3. For the share-based payment transaction conducted on the granted date, the Group uses the Black-Scholes option pricing model to estimate the fair value of the stock option. The relevant information is as follows:

<u>Agreement Type</u>	<u>Granted date</u>	<u>Price of share</u>	<u>Exercise price</u>	<u>Expected volatility rate</u>	<u>Expected validity period</u>	<u>Expected dividends</u>	<u>Risk-free interest rate</u>	<u>Fair value per unit (NTD)</u>
Employee stock options plan	2020.07.17	\$ 58	\$40	23.89% – 25.91%	5 years	-	0.2371% – 0.3222%	\$ 19.57 – \$21.26
Issuing shares reserved for employee stock options	2024.01.29	\$90.50	\$60	26.81%	0.10 year	-	1.0302%	\$ 30.56

4. Cost for share-based payment transactions is as follows:

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Equity payment	\$ -	\$ 249
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Equity payment	\$ -	\$ 3,738

(XIX) Share capital

1. As of June 30, 2025, the authorized capital of the Company is NT\$400,000 thousand, divided into 40,000 thousand shares, with a paid-in capital of NT\$346,105, at NT\$10 per share.

The adjustments for the outstanding common shares at the beginning and end of the period are as follows:

	<u>2025</u>	<u>2024</u>
January 1	33,203	29,452
Employee stock options exercised	168	73
Proceeds from issuing shares	-	1,820
Conversion of convertible bonds	1,239	-
June 30	<u>34,610</u>	<u>31,345</u>

2. On November 7, 2023, the Board of Directors of the Company approved the issuance of 1,820 thousand ordinary shares through proceeds from issuing shares, with a par value of NT\$10 per share and a premium of NT\$60 per share, for a total amount of NT\$109,200. March 7, 2024 was set as the capital increase record date, and the proceeds were fully collected on March 7, 2024.



## (XX) Capital surplus

According to the provisions of the Company Act, the premium of excess over par value derived from issued shares and the gifted capital surplus, in addition to being used to offset deficits, where the Company has no accumulated losses, shall be used to issue new shares or cash in proportion to the shareholders' original shares. The Company shall not use the capital surplus to offset the capital losses, unless the surplus reserve is insufficient to compensate such losses.

	<u>2025</u>		
	<u>Share premium</u>	<u>Employee stock options</u>	<u>Stock options</u>
January 1	\$ 1,013,318	\$ 18,677	\$ 10,310
Employee stock options exercised	4,083	-	-
Conversion of convertible bonds	95,290	-	( 10,281)
June 30	<u>\$ 1,112,691</u>	<u>\$ 18,677</u>	<u>\$ 29</u>

	<u>2024</u>		
	<u>Share premium</u>	<u>Employee stock options</u>	<u>Stock options</u>
January 1	\$ 784,738	\$ 18,034	\$ -
Employee stock options exercised	1,888	586	-
proceeds from issuing shares	91,000	-	-
Proceeds from issuing shares retain employee subscription remuneration costs	3,239	-	-
Issuance of convertible bonds	-	-	24,180
June 30	<u>\$ 880,865</u>	<u>\$ 18,620</u>	<u>\$ 24,180</u>

## (XXI) Retained earnings

1. In accordance with the Articles of Incorporation, if there are still earnings after the annual settlement, in addition to paying all taxes, the earnings shall be first used for offsetting a cumulative deficit, and then allocated or reversed as a special reserve in accordance with the laws and regulations or the competent authority's request. Any remaining profit, together with any undistributed retained earnings from the beginning of the same period, is shareholders' accumulated distributable earnings, the distribution of which is proposed by the Board of Directors and resolved by the shareholders' meeting.
2. The Company, being in a growth phase, for the needs of capital expenditure, business expansion, and sound financial planning to achieve sustainable development, the Company's dividend policy will be determined based on the future budget for capital expenditure and funding needs, while considering economic and industry dynamics. Dividends may be distributed to shareholders in the form of cash dividends and/or stock dividends. If the Board of Directors decides to distribute earnings, a plan will be formulated

and approved by the shareholders' meeting through an ordinary resolution. The total amount of dividends to shareholders should be at least 40% of the distributable earnings for the current year, with the total cash dividend payout not falling below 10% of the total dividend.

3. Without violating any regulations, the Board of Directors may distribute dividends, legal reserves, and/or all or part of the premium arising from the issuance of shares or gifted capital surplus to the original shareholders in the form of cash. Such distribution shall be approved by a resolution with the attendance of two-thirds or more of the directors and the consent of the majority of attending directors, and it shall be reported to the shareholders' meeting.
4. In accordance with the regulations, the Company shall set aside special reserves from other equity items of the debit balance at the balance sheet date before distributing earnings. When a debit balance on other equity items is reversed subsequently, the reversed amount may be included in the distributable earnings.
5. On March 12, 2025, and June 25, 2024, the shareholders' meeting of the Company resolved the 2024 and 2023 earnings appropriation plans as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>Dividends per share (NTD)</u>	<u>Amount</u>	<u>Dividends per share (NTD)</u>
Special reserve (reversal)	(\$ 8,992)		\$ 30,906	
Cash dividends	116,213	\$ 3.50	100,246	\$ 3.20
Stock dividends	<u>16,602</u>	0.50	<u>-</u>	-
	<u>\$ 123,823</u>		<u>\$ 131,152</u>	

## (XXII) Operating revenue

1. Disaggregation of revenues from customer contracts

The Group's revenue is derived from the transfer of goods and services at a specific point in time. The revenue can be classified into the following main groups of companies:

Three months ended June 30, 2025	Japan	Vietnam	China (including HK)	Thailand	Other Asia areas	Total
Segment income	\$ 421,339	\$ 198,174	\$ 214,584	\$ 94,763	\$ 32,038	\$ 960,898
Income from internal segment transactions	( 31,971)	( 2,443)	( 70,274)	( 196)	-	( 104,884)
Income from external customer transactions	\$ 389,368	\$ 195,731	\$ 144,310	\$ 94,567	\$ 32,038	\$ 856,014
Recognition timing of revenue Revenue recognized at a specific time	\$ 389,368	\$ 195,731	\$ 144,310	\$ 94,567	\$ 32,038	\$ 856,014
Three months ended June 30, 2024	Japan	Vietnam	China (including HK)	Thailand	Other Asia areas	Total
Segment income	\$ 371,199	\$ 194,349	\$ 306,004	\$ 116,305	\$ 52,086	\$ 1,039,943
Income from internal segment transactions	( 31,944)	( 2,476)	( 114,392)	( 382)	-	( 149,194)
Income from external customer transactions	\$ 339,255	\$ 191,873	\$ 191,612	\$ 115,923	\$ 52,086	\$ 890,749
Recognition timing of revenue Revenue recognized at a specific time	\$ 339,255	\$ 191,873	\$ 191,612	\$ 115,923	\$ 52,086	\$ 890,749
Six months ended June 30, 2025	Japan	Vietnam	China (including HK)	Thailand	Other Asia areas	Total
Segment income	\$ 847,213	\$ 399,196	\$ 421,706	\$ 210,863	\$ 81,047	\$ 1,960,025
Income from internal segment transactions	( 70,228)	( 5,511)	( 157,478)	( 2,335)	-	( 235,552)
Income from external customer transactions	\$ 776,985	\$ 393,685	\$ 264,228	\$ 208,528	\$ 81,047	\$ 1,724,473
Recognition timing of revenue Revenue recognized at a specific time	\$ 776,985	\$ 393,685	\$ 264,228	\$ 208,528	\$ 81,047	\$ 1,724,473
Six months ended June 30, 2024	Japan	Vietnam	China (including HK)	Thailand	Other Asia areas	Total
Segment income	\$ 750,944	\$ 388,892	\$ 525,140	\$ 227,260	\$ 101,688	\$ 1,993,924
Income from internal segment transactions	( 62,386)	( 6,504)	( 185,838)	( 1,150)	-	( 255,878)
Income from external customer transactions	\$ 688,558	\$ 382,388	\$ 339,302	\$ 226,110	\$ 101,688	\$ 1,738,046
Recognition timing of revenue Revenue recognized at a specific time	\$ 688,558	\$ 382,388	\$ 339,302	\$ 226,110	\$ 101,688	\$ 1,738,046

## 2. Contract liabilities

The contract liabilities related to the Group's recognized contract income are as follows:

	June 30, 2025	December 31, 2024
Contract liabilities - advance sales receipts (Recognized contract liabilities - current)	\$ 1,467	\$ 12,427

	<u>June 30, 2024</u>	<u>January 1, 2024</u>
Contract liabilities - advance sales receipts (Recognized contract liabilities - current)	\$ <u>1,631</u>	\$ <u>2,982</u>

(XXIII) Interest income

	<u>Three months ended June 30, 2025</u>	<u>Three months ended June 30, 2024</u>
— Interest income from bank deposits	\$ 2,629	\$ 1,303
Interest income from financial assets at amortized cost	<u>588</u>	<u>857</u>
	\$ <u>3,217</u>	\$ <u>2,160</u>
	<u>Six months ended June 30, 2025</u>	<u>Six months ended June 30, 2024</u>
— Interest income from bank deposits	\$ 4,310	\$ 2,527
Interest income from financial assets at amortized cost	<u>1,465</u>	<u>1,466</u>
	\$ <u>5,775</u>	\$ <u>3,993</u>

(XXIV) Other income

	<u>Three months ended June 30, 2025</u>	<u>Three months ended June 30, 2024</u>
— Rental income	\$ 705	\$ 685
	<u>Six months ended June 30, 2025</u>	<u>Six months ended June 30, 2024</u>
— Rental income	\$ <u>1,417</u>	\$ <u>1,385</u>

(XXV) Other gains and losses

	Three months ended June 30, 2025	Three months ended June 30, 2024
Loss on disposal of property, plant and equipment	(\$ 28)	\$ 292
Foreign exchange (losses) gains	( 14,586)	2,723
Loss on redemption of convertible bonds	( 24)	-
Gains (losses) on financial assets and liabilities at fair value through profit or loss	( 47)	( 75)
Other gains	3,401	3,217
	<u>(\$ 11,284)</u>	<u>\$ 6,157</u>
	Six months ended June 30, 2025	Six months ended June 30, 2024
Loss on disposal of property, plant and equipment	(\$ 1,399)	\$ 274
Foreign exchange (losses) gains	( 19,118)	8,120
Loss on redemption of convertible bonds	( 24)	-
Gains (losses) on financial assets and liabilities at fair value through profit or loss	( 192)	50
Other gains	6,431	3,907
	<u>(\$ 14,302)</u>	<u>\$ 12,351</u>

(XXVI) Financial costs

	Three months ended June 30, 2025	Three months ended June 30, 2024
Interest expense		
Bank borrowings and others	\$ 1,463	\$ 1,147
Interest on lease liabilities	739	1,138
Amortization of discount on bonds payable	23	1,166
	<u>\$ 2,225</u>	<u>\$ 3,451</u>
	Six months ended June 30, 2025	Six months ended June 30, 2024
Interest expense		
Bank borrowings and others	\$ 2,744	\$ 4,111
Interest on lease liabilities	1,648	2,409
Amortization of discount on bonds payable	396	1,524
	<u>\$ 4,788</u>	<u>\$ 8,044</u>

(XXVII) Employee benefit expenses and additional information regarding such expenses' nature

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Employee benefit expenses		
Salary and wages	\$ 186,210	\$ 182,825
Labor and health insurance costs (Note)	16,571	14,082
Pension	6,550	9,294
Other employment expenses	5,615	5,254
Depreciation expense	43,063	42,599
Amortization expense	210	293

	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Employee benefit expenses		
Salary and wages	\$ 373,455	\$ 358,834
Labor and health insurance costs (Note)	33,652	28,643
Pension	13,722	18,677
Other employment expenses	11,301	10,995
Depreciation expense	87,897	86,493
Amortization expense	428	595

Note: Including expenses related to medical insurance and insurance of work-related injuries incurred by subsidiaries in China.

1. As per the Company's Articles of Incorporation, after cumulative losses are deducted from the Company's profit for the year, if there is a balance, no less than 8% and not higher than 15% of the balance shall be set aside for employee remuneration and no higher than 5% for directors' remuneration.
2. The estimated employee compensation of the Company for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, amounted to NT\$3,237, NT\$5,088, NT\$8,058, and NT\$9,309, respectively. Directors' remuneration for the same periods amounted to NT\$2,023, NT\$3,180, NT\$5,036, and NT\$5,818, respectively. The aforementioned amounts were recognized in the item of salary and wages. For 2024, the estimated amounts were 8% and 5%, respectively, based on the profit situation for that year. The Board of Directors resolved that the actual amounts distributed were NT\$22,066 and NT\$5,516, with differences of NT\$4,414 and (NT\$5,517) respectively, compared to the employee and director remuneration recognized in the 2024 financial statements. The difference of (NT\$1,103) has been adjusted in the profit and loss

for the six months ended June 30, 2025.

3. The information on employees' and directors' remuneration approved by the Board of Directors of the Company is available on the Market Observation Post System.

(XXVIII) Income tax

1. Components of income tax expenses:

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Current income tax:		
Income tax from the current income	\$ 10,898	\$ 23,962
Income tax overestimates for prior years	( 3,563)	( 7,268)
Deferred tax:		
The initial generation and reversal of temporary differences	104	3,198
Income tax expense	<u>\$ 7,439</u>	<u>\$ 19,892</u>
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Current income tax:		
Income tax from the current income	\$ 18,366	\$ 32,763
Income tax overestimates for prior years	( 2,591)	( 7,088)
Deferred tax:		
The initial generation and reversal of temporary differences	( 86)	3,597
Income tax expense	<u>\$ 15,689</u>	<u>\$ 29,272</u>

2. The amount of income tax related to other comprehensive income (loss):

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Changes in the fair values of financial assets at fair value through other comprehensive income.	\$ -	(\$ 89)
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Changes in the fair values of financial assets at fair value through other comprehensive	\$ -	(\$ 780)

income.

(XXIX) Earnings per share

<u>Three months ended June 30, 2025</u>			
		Weighted average number of outstanding shares (unit: thousand shares)	Earnings per share (NTD)
	<u>Amount after tax</u>		
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	<u>\$ 35,209</u>	<u>34,555</u>	<u>\$ 1.02</u>
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 35,209	34,555	
Effect of potential dilutive ordinary shares:			
Employee stock options plan	-	101	
Employee remuneration	-	168	
Convertible bonds	23	92	
	<u>\$ 35,232</u>	<u>34,916</u>	<u>\$ 1.01</u>
<u>Three months ended June 30, 2024</u>			
		Weighted average number of outstanding shares (unit: thousand shares)	Earnings per share (NTD)
	<u>Amount after tax</u>		
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	<u>\$ 55,333</u>	<u>31,340</u>	<u>\$ 1.77</u>
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 55,333	31,340	
Effect of potentially dilutive ordinary shares:			
Employee stock options plan	-	207	
Employee remuneration	-	49	
Convertible bonds	1,166	2,556	
	<u>\$ 56,499</u>	<u>34,152</u>	<u>\$ 1.65</u>



<u>Six months ended June 30, 2025</u>			
		<u>Weighted average number of</u>	<u>Earnings per</u>
	<u>Amount after tax</u>	<u>outstanding shares</u>	<u>share (NTD)</u>
		<u>(unit: thousand shares)</u>	
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 74,971	34,138	\$ 2.20
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 74,971	34,138	
Effect of potentially dilutive ordinary shares:			
Employee stock options plan	-	86	
Employee remuneration	-	168	
Convertible bonds	395	611	
	\$ 75,366	35,003	\$ 2.15

<u>Six months ended June 30, 2024</u>			
		<u>Weighted average number of</u>	<u>Earnings per</u>
	<u>Amount after tax</u>	<u>outstanding shares</u>	<u>share (NTD)</u>
		<u>(unit: thousand shares)</u>	
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 101,240	30,651	\$ 3.30
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 101,240	30,651	
Effect of potential dilutive ordinary shares:			
Employee stock options plan	-	225	
Employee remuneration	-	133	
Convertible bonds	1,524	2,556	
	\$ 102,764	33,565	\$ 3.06

1. If employee compensation is distributed in the form of shares, no significant impact is found on the Consolidated Financial Statements of the Company for the three months

ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024. In addition, the retrospective adjustment of outstanding shares for the three months ended June 30, 2024, and for the six months ended June 30, 2024, was made based on the stock dividend ratio for 2024.

2. The pro forma retrospective adjusted earnings per share of the Company for 2025, with the ex-dividend record date after the financial statement submission date, are as follows:

		<u>Three months ended June 30, 2025</u>	
		Weighted average number of	Earnings per
		outstanding shares	share (NTD)
	<u>Amount after tax</u>	<u>(unit: thousand shares)</u>	
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 35,209	36,215	\$ 0.97
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 35,209	36,215	
Effect of potentially dilutive ordinary shares:			
Employee stock options plan	-	101	
Employee remuneration	-	168	
Convertible bonds	23	92	
	<u>\$ 35,232</u>	<u>\$ 36,576</u>	<u>\$ 0.96</u>
		<u>Three months ended June 30, 2024</u>	
		Weighted average number of	Earnings per
		outstanding shares	share (NTD)
	<u>Amount after tax</u>	<u>(unit: thousand shares)</u>	
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 55,333	33,000	\$ 1.68
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 55,333	33,000	
Effect of potentially dilutive ordinary shares:			
Employee stock options plan	-	207	
Employee remuneration	-	49	
Convertible bonds	1,166	2,556	
	<u>\$ 56,499</u>	<u>\$ 35,812</u>	<u>\$ 1.58</u>

<u>Six months ended June 30, 2025</u>			
	<u>Amount after tax</u>	<u>Weighted average number of outstanding shares (unit: thousand shares)</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 74,971	35,798	\$ 2.09
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	74,971	35,798	
Effect of potentially dilutive ordinary shares:			
Employee stock options plan	-	86	
Employee remuneration	-	168	
Convertible bonds	395	611	
	<u>\$ 75,366</u>	<u>36,663</u>	<u>\$ 2.06</u>
<u>Six months ended June 30, 2024</u>			
	<u>Amount after tax</u>	<u>Weighted average number of outstanding shares (unit: thousand shares)</u>	<u>Earnings per share (NTD)</u>
<u>Basic earnings per share</u>			
Current net profit attributable to shareholders of the Company	\$ 101,240	32,311	\$ 3.13
<u>Diluted earnings per share</u>			
Current net profit attributable to shareholders of the Company	101,240	32,311	
Effect of potential dilutive ordinary shares:			
Employee stock options plan	-	225	
Employee remuneration	-	133	
Convertible bonds	1,524	2,556	
	<u>\$ 102,764</u>	<u>35,225</u>	<u>\$ 2.92</u>

(XXX) Cash flow supplemental information

1. Operating activities supported by partial cash payment:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Expense for interest	\$ 4,788	\$ 8,044
Add: Interest payable at the beginning of the period	1,838	2,292
Less: Interest payable at the end of the period	( 1,372)	( 1,617)
Current cash payable	<u>\$ 5,254</u>	<u>\$ 8,719</u>

2. Investment activities supported by partial cash payment:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Expense for property, plant and equipment	\$ 39,042	\$ 90,765
Add: Equipment payable at the beginning of the period	904	15,699
Add: Notes payable at the beginning of the period	6,967	-
Less: Equipment payable at the end of the period	( 2,120)	( 7,721)
Less: Notes payable at the end of the period	( 21,531)	( 1,419)
Current cash payable	<u>\$ 23,262</u>	<u>\$ 97,324</u>

3. Non-cash financing activities:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Declared but undistributed cash dividends	<u>\$ 116,213</u>	<u>\$ 100,246</u>

(XXXI) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings (including loans due within one year)	Bonds payable	Leases liabilities	Liabilities arising from financing activities
January 1, 2025	\$ 184,712	\$ 205,481	\$ 97,790	\$ 146,803	\$ 634,786
Changes in financing cash flows	-	( 26,214)	-	( 21,561)	( 47,775)
Other non-cash changes	-	-	( 97,790)	510	( 97,280)
Impact of exchange rate fluctuations	( 5,720)	( 4,584)	-	( 10,068)	( 20,372)
June 30, 2025	<u>\$ 178,992</u>	<u>\$ 174,683</u>	<u>\$ -</u>	<u>\$ 115,684</u>	<u>\$ 469,359</u>
	Short-term borrowings	Long-term borrowings (including loans due within one year)	Bonds payable	Leases liabilities	Liabilities arising from financing activities
January 1, 2024	\$ 337,450	\$ 264,803	\$ -	\$ 186,562	\$ 788,815
Changes in financing cash flows	( 297,053)	( 25,777)	251,250	( 26,178)	( 97,758)
Other non-cash changes	-	-	( 24,287)	3,136	( 21,151)
Impact of exchange rate fluctuations	( 4,091)	( 17,263)	-	( 8,944)	( 30,298)
June 30, 2024	<u>\$ 36,306</u>	<u>\$ 221,763</u>	<u>\$ 226,963</u>	<u>\$ 154,576</u>	<u>\$ 639,608</u>

VII. Related Party Transactions

(I) Parent company and ultimate controller

The Group is controlled by Jabon International Co., Ltd. (hereinafter referred to as “Jabon”) (incorporated in the Republic of China), which owns 34.45% equity in the Company, and ABICO AVY Co., Ltd. holds 100% equity in Jabon. The ultimate parent and ultimate controller of the Group is CHIA MEI INVESTMENT CO., LTD.

(II) Names of related parties and relations with the Company:

<u>Names of related party</u>	<u>Relations with the Group</u>
Jabon International Co., Ltd. (parent company)	Parent company of the Group
ABICO AVY Co., Ltd.(ABICO AVY)	Same ultimate parent company
Gold Market Investments Limited (Gold Market)	Same ultimate parent company
Best Achieve Industries Limited (Best Achieve)	Fellow subsidiary
AVY Precision Metal Components (SuZhou) Co., Ltd. (AVY)	Fellow subsidiary

Best Select Industries (Suzhou) Co., Limited	Fellow subsidiary
JieCheng Co., Ltd.	Fellow subsidiary
LEHING PLASTIC (SHENZHEN) LTD.	Fellow subsidiary
AVY Co., Ltd.	Fellow subsidiary
EKEEN Precision Co., Ltd.	Fellow subsidiary
Best Achieve Technology (M) SDN. BHD. (Best Achieve (M))	Fellow subsidiary
Dongguan Ashine Precision Plastics Co., Ltd.	Fellow subsidiary
Taishiba International Co., Ltd.	Substantive related party

(III) Major transactions with related parties

1. Operating revenue

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Sales of goods:		
Fellow subsidiary	<u>\$ 1,857</u>	<u>\$ 1,657</u>
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Sales of goods:		
Fellow subsidiary	<u>\$ 3,443</u>	<u>\$ 7,158</u>

The transaction prices and payment terms of sales of goods do not significantly differ from those offered to regular customers.

2. Purchase

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Purchase of goods:		
Parent company	\$ -	\$ 20
Fellow subsidiary	<u>307</u>	<u>17,104</u>
	<u>\$ 307</u>	<u>\$ 17,124</u>
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Purchase of goods:		
Parent company	\$ -	\$ 202
Fellow subsidiary	<u>17,751</u>	<u>37,441</u>
	<u>\$ 17,751</u>	<u>\$ 37,643</u>

The transaction price and payment terms for the purchase of goods do not significantly differ from those with other vendors.

3. Receivables from related parties

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Receivables:			
Fellow subsidiary			
-AVY	\$ 1,745	\$ 3,677	\$ 1,654
-Best Achieve (M)	<u>331</u>	<u>798</u>	<u>-</u>
	<u>\$ 2,076</u>	<u>\$ 4,475</u>	<u>\$ 1,654</u>

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
other receivables:			
Fellow subsidiary	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167</u>

The receivables from related parties mainly arise from sales transactions with a payment term of 75 days at the end of the month. The receivables from related parties are not secured by collateral and are not subject to any mortgages or interest charges.

#### 4. Payables to related parties

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Payables:			
Fellow subsidiary			
-Best Achieve (M)	\$ 1,155	\$ 17,943	\$ -
-Best Achieve	-	1,365	18,251
-Other	<u>16</u>	<u>183</u>	<u>1,254</u>
	<u>\$ 1,171</u>	<u>\$ 19,491</u>	<u>\$ 19,505</u>
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Other payables:			
Fellow subsidiary	\$ 398	\$ 134	\$ 1,139
Substantive related party	3	-	7
Ultimate parent company	<u>-</u>	<u>30</u>	<u>-</u>
	<u>\$ 401</u>	<u>\$ 164</u>	<u>\$ 1,146</u>

The payables to related parties mainly arise from purchase transactions with a payment term ranging from 60 to 90 days at the end of the month. These payables to related parties are not secured by collateral and do not incur any interest charges.

#### 5. Prepayments

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Fellow subsidiary	<u>\$ 1,560</u>	<u>\$ 1,046</u>	<u>\$ 1,355</u>

The transaction price and payment terms for the purchase of goods do not significantly differ from those with other vendors.

## 6. Property Transactions

### (1) Acquisition of other assets

		Three months ended June 30, 2025	Three months ended June 30, 2024
	<u>Account Name</u>	<u>Acquisition Costs</u>	<u>Acquisition Costs</u>
Fellow subsidiary	Intangible assets	\$ 280	\$ -

		Six months ended June 30, 2025	Six months ended June 30, 2024
	<u>Account Name</u>	<u>Acquisition Costs</u>	<u>Acquisition Costs</u>
Fellow subsidiary	Intangible assets	\$ 363	\$ -

### (2) Acquisition of property, plant and equipment

	Three months ended June 30, 2025	Three months ended June 30, 2024
Fellow subsidiary	\$ -	\$ -
	Six months ended June 30, 2025	Six months ended June 30, 2024
Fellow subsidiary	\$ 177	\$ -

## 7. Operating expenses

	Three months ended June 30, 2025	Three months ended June 30, 2024
Fellow subsidiary	\$ 690	\$ 1,222
Substantive related party	9	9
	<u>\$ 699</u>	<u>\$ 1,231</u>
	Six months ended June 30, 2025	Six months ended June 30, 2024
Fellow subsidiary	\$ 1,487	\$ 1,642
Substantive related party	19	19
	<u>\$ 1,506</u>	<u>\$ 1,661</u>

The operating expenses mainly comprise lease expenses, service fees, and system support fees.



8. Other income

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Rental income		
Fellow subsidiary	\$ <u>-</u>	\$ <u>-</u>
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Rental income		
Fellow subsidiary	\$ <u>397</u>	\$ <u>-</u>

Rent income is collected monthly at a price agreed upon by both parties.

(IV) Information on remuneration to key management personnel

	Three months ended <u>June 30, 2025</u>	Three months ended <u>June 30, 2024</u>
Short-term employee benefits	\$ 6,872	\$ 6,936
Share-based payment	<u>-</u>	<u>13</u>
	\$ <u>6,872</u>	\$ <u>6,949</u>
	Six months ended <u>June 30, 2025</u>	Six months ended <u>June 30, 2024</u>
Short-term employee benefits	\$ 14,130	\$ 18,269
Share-based payment	<u>-</u>	<u>26</u>
	\$ <u>14,130</u>	\$ <u>18,295</u>

VIII. Pledged Assets

The details of the guarantees provided by the Group's Assets are as follows:

	<u>Book value</u>			
<u>Assets</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	<u>Purpose of collateral</u>
Land	\$ 173,340	\$ 178,879	\$ 171,891	Short-term and long-term borrowings
Buildings and structures	46,614	50,732	25,542	Short-term and long-term borrowings
Time deposits-financial assets at amortized cost				Electricity guarantee
- current	<u>591</u>	<u>608</u>	<u>578</u>	contract
	\$ <u>220,545</u>	\$ <u>230,219</u>	\$ <u>198,011</u>	

## IX. Material Contingent Liabilities and Unrecognized Contractual Commitments

### (I) Contingencies

None.

### (II) Commitments

The Group has provided the following details of endorsement and guarantee amounts to obtain a bank credit line:

Company Name of					
<u>Guarantor</u>	<u>Counterparty</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	<u>Remark</u>
DaiichiKasei	IKKA HK	\$ 67,260	\$ 62,970	\$ 60,510	Note 1

Note 1: The original amount of endorsements and guarantees as of June 30, 2025, December 31, 2024, and June 30, 2024, was all JPY 300,000 thousand.

## X. Significant Disaster Losses

None.

## XI. Significant Events after the Balance Sheet Date

None

## XII. Other

### (I) Capital management

The objectives of the Group's capital management are to ensure that the Group can continue as a going concern, maintain the best capital structure to reduce the capital cost, and provide remuneration to shareholders. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.

### (II) Financial instruments

#### 1. Types of financial instruments

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial liabilities held for trading	\$ -	\$ 704	\$ -
Financial assets at fair value through other comprehensive income			
Selected and designated equity instrument	51,613	34,792	77,023
Financial assets at amortized cost			
Cash and cash equivalents	1,343,085	1,342,910	1,067,179

Financial assets at amortized cost - time deposits with an original maturity of more than 3 months	64,205	96,078	101,339
Notes receivable	51,659	14,677	18,502
Accounts receivable (including related parties)	666,420	900,419	818,746
Other receivables	3,845	3,768	5,443
Guarantee deposits paid	13,300	14,259	15,698
	<u>\$ 2,194,127</u>	<u>\$ 2,406,903</u>	<u>\$ 2,103,930</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ -	\$ -	\$ 550
Financial liabilities at amortized cost			
Short-term borrowings	178,992	184,712	36,306
Notes payable	99,238	137,533	109,186
Accounts payable (including related parties)	334,655	431,897	359,394
Other payables (including related parties)	375,934	287,378	373,244
Bonds payable	-	97,790	226,963
Long-term borrowings (including portion due within one year)	174,683	205,481	221,763
Guarantee deposits received	648	717	510
	<u>\$ 1,164,150</u>	<u>\$ 1,345,508</u>	<u>\$ 1,327,916</u>
Liabilities from lease	<u>\$ 115,684</u>	<u>\$ 146,803</u>	<u>\$ 154,576</u>

## 2. Risk management policy

- (1) The Group's daily operations are affected by several financial risks, including market risks (such as exchange rate risks, interest rate risks, and price risks), credit risks, and liquidity risks.

- (2) The risk management work is carried out by the Group's Finance Department under the policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, evaluating, and avoiding financial risks through close collaboration with the Group's operating units. The Board of Directors has formulated written principles for overall risk management and provided written policies about specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, the use of non-derivative financial instruments, and the investment of remaining liquidity.
3. The nature and levels of material financial risks

(1) Market Risks

Exchange rate risks

- A. The Group's business involves a number of non-functional currencies (the Company's and some subsidiaries' functional currency is NTD while other subsidiaries' functional currencies are Japanese Yen, Malaysian Ringgit, US Dollar, Chinese Yuan, and Thai Baht, etc.). Therefore, it is affected by exchange rate fluctuations.

		<u>June 30, 2025</u>	
(Foreign currency: functional currency)	Foreign currency (thousand)	<u>Exchange rate</u>	Carrying amount (NTD)
<u>Financial assets</u>			
<u>Monetary item</u>			
USD: NTD	\$ 612	29.30	\$ 17,943
USD: JPY	3,658	144.82	107,751
USD: RMB	4,407	7.16	129,061
USD: MYR	1,070	4.21	30,140
USD: THB	91	32.39	2,666
VND: USD	13,684,311	0.000038	15,286
JPY: TWD	239,169	0.20	48,647
JPY: USD	70,465	0.0070	14,306
<u>Financial liabilities</u>			
<u>Monetary item</u>			
USD: RMB	\$ 4,680	7.16	\$ 137,052
JPY: USD	31,060	0.0070	6,306
JPY: THB	191,244	0.23	39,359
USD: JPY	665	144.82	19,557
USD: MYR	168	4.21	4,725
HKD: USD	1,728	0.13	6,451
HKD: RMB	331	0.91	1,236
VND: USD	10,972,266	0.000038	12,412

		<u>December 31, 2024</u>	
(Foreign currency: functional currency)	Foreign currency (thousand)	<u>Exchange rate</u>	Carrying amount (NTD)
<u>Financial assets</u>			
<u>Monetary item</u>			
JPY: NTD	\$ 276,969	0.21	\$ 58,136
USD: JPY	4,599	158.17	152,696
USD: RMB	3,803	7.19	122,407
USD: NTD	879	32.78	28,827
USD: MYR	967	4.47	30,556
VND: USD	18,022,122	0.000039	23,162
JPY: USD	62,866	0.01	13,244
<u>Financial liabilities</u>			
<u>Monetary item</u>			
USD: RMB	\$ 5,292	7.19	\$ 170,357
JPY: THB	235,285	0.22	50,229
JPY: USD	65,137	0.01	13,725
USD: JPY	1,105	158.17	36,698
USD: MYR	195	4.47	6,177
VND: USD	15,741,433	0.000039	20,421
		<u>June 30, 2024</u>	
(Foreign currency: functional currency)	Foreign currency (thousand)	<u>Exchange rate</u>	Carrying amount (NTD)
<u>Financial assets</u>			
<u>Monetary item</u>			
JPY: NTD	\$ 807,500	0.20	\$ 162,873
USD: JPY	4,573	161.14	148,628
USD: RMB	2,821	7.13	89,375
USD: NTD	458	32.45	14,868
USD: MYR	586	4.72	18,250
VND: USD	18,853,306	0.000040	24,017
JPY: USD	55,570	0.01	11,314
<u>Financial liabilities</u>			
<u>Monetary item</u>			
USD: RMB	\$ 5,634	7.13	\$ 178,464
JPY: THB	314,545	0.23	64,740
JPY: USD	99,191	0.01	20,198
USD: JPY	904	161.14	29,370
USD: MYR	691	4.72	21,541
VND: USD	10,317,058	0.000040	13,340

- B. The aggregate amounts of (realized and unrealized) net exchange (losses) gains of the Group's monetary item recognized for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, due to the material impact of exchange rate fluctuations, were \$(14,586), \$2,723, \$(19,118), and \$8,120, respectively.
- C. The analysis of the Group's foreign currency market risk due to significant exchange rate fluctuations is as follows:

Six months ended June 30, 2025

Sensitivity analysis

(Foreign currency: functional currency)	Fluctuation amplitude (%)	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary item</u>			
USD: NTD	1%	179	-
USD: JPY	1%	1,078	-
USD: RMB	1%	1,291	-
USD: MYR	1%	301	-
USD: THB	1%	27	-
VND: USD	1%	153	-
JPY: TWD	1%	486	-
JPY: USD	1%	143	-
<u>Monetary item</u>			
USD: RMB	1%	\$ 1,371	\$ -
JPY: USD	1%	63	-
JPY: THB	1%	394	-
USD: JPY	1%	196	-
USD: MYR	1%	47	-
HKD: USD	1%	65	-
HKD: RMB	1%	12	-
VND: USD	1%	124	-

Six months ended June 30, 2024

Sensitivity analysis

(Foreign currency: functional currency)	Fluctuation amplitude (%)	<u>Effect on profit or loss</u>		Effect on other comprehensive <u>income</u>
<u>Financial assets</u>				
<u>Monetary item</u>				
JPY: NTD	1%	\$	1,629	\$
USD: JPY	1%		1,486	
USD: RMB	1%		894	
USD: NTD	1%		149	
USD: MYR	1%		183	
VND: USD	1%		240	
JPY: USD	1%		113	
<u>Financial liabilities</u>				
<u>Monetary item</u>				
USD: RMB	1%	\$	1,785	\$
JPY: THB	1%		647	
JPY: USD	1%		202	
USD: JPY	1%		294	
USD: MYR	1%		215	
VND: USD	1%		133	

Price risk

- A. The Group's equity instruments exposed to the price risk are financial assets at fair value through other comprehensive income fair value measurement. In order to manage the price risk of equity instrument investment, the Group has diversified its investment portfolio, and the method of diversification is based on the limits set by the Group.
- B. The Group mainly invests in equity instruments launched by companies at home and abroad, and the prices of those equity instruments will be affected by the uncertainty of the future values of said instruments. If the price of these equity instruments increases or decreases by 1%, with all other factors remaining unchanged, the profit or loss on equity investments classified as other comprehensive income at fair value through other comprehensive income would increase or decrease by \$516 and \$770 for the six months ended June 30, 2025, and 2024, respectively.

Interest rate risks of cash flow and of fair value

- A. The Group's interest rate risk mainly comes from long-term and short-term borrowings at floating rates, which exposes the Group to the cash flow interest

rate risk. The Group's borrowings at floating rates during the six months ended June 30, 2025 and 2024, were mainly denominated in JPY and USD.

- B. The Group's borrowings are measured at amortized cost, and interest rates are contractually repriced annually, which exposes the Group to risk of future changes in market interest rates.
- C. When the borrowing interest rate increases or decreases by 1%, with all other factors remaining unchanged, the profit before tax for January 1 to June 30, 2025 and 2024, will decrease or increase by \$1,768 and \$1,290, respectively, mainly due to the corresponding change in interest expense resulting from floating-rate borrowings.

(2) Credit risk

- A. The credit risk of the Group is the risk of financial loss arising from the failure of clients or counterparties of financial instruments to fulfill contractual obligations. It mainly comes from counterparties' inability to settle accounts receivable in accordance with the payment terms, and to the contractual cash flows from investments in debt instruments classified as debt instruments measured at amortized cost and those at fair value through other comprehensive income.
- B. The credit risk management has been established from the Group's perspective. In accordance with the internal credit policy, each operating entity within the Group must conduct management and credit risk analysis of each new client before deciding on payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial conditions, experience, and other factors. Individual risk limits are set by the Board of Directors based on internal or external ratings, and the drawdown of credit limits is regularly monitored.
- C. In accordance with the credit risk management procedures of the Group, default is considered to have occurred when contractual payments are overdue for more than 180 days according to the agreed payment terms.
- D. The Group adopts IFRS 9 to make an assumption as a basis for judging. When a contract payment is overdue for more than 30 days in accordance with the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the initial recognition.
- E. The Group adopts a simplified approach to estimate expected credit losses for clients' accounts receivable according to their client type with a provision matrix and loss rate method.
- F. After the recourse procedures, the Group writes off the amount of the financial asset that cannot be reasonably expected to be recovered. However, the Group will continue to conduct the legal recourse procedures to preserve the creditor's rights.



G. Considering future forward-looking, the Group adjusts the loss rate based on historical and current information for specific periods to estimate the allowance for accounts receivable. However, based on the aforementioned considerations and information, the Group does not expect any significant allowance for accounts receivable and notes to arise from the loss rate. The provision matrix for June 30, 2025, December 31, 2024, and June 30, 2024, is as follows:

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>June 30, 2025</u>					
Expected loss rate	0.04%	8.40%	0.00%	0.00%	
Total book value	<u>\$ 717,769</u>	<u>\$ 631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 718,400</u>
Loss allowance	<u>(\$ 268)</u>	<u>(\$ 53)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 321)</u>
	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>December 31, 2024</u>					
Expected loss rate	0.05%	1.17%	0.00%	0.00%	
Total book value	<u>\$ 914,731</u>	<u>\$ 855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915,586</u>
Loss allowance	<u>(\$ 480)</u>	<u>(\$ 10)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 490)</u>
	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>	<u>Over 181 days past due</u>	<u>Total</u>
<u>June 30, 2024</u>					
Expected loss rate	0.07%	3.35%	0.00%	0.00%	
Total book value	<u>\$ 819,072</u>	<u>\$ 19,418</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 838,490</u>
Loss allowance	<u>(\$ 592)</u>	<u>(\$ 650)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 1,242)</u>

H. The table of the changes in the allowance for losses on accounts receivable with the simplified approach adopted is as follows:

	<u>2025</u>	<u>2024</u>
	<u>Accounts receivable</u>	<u>Accounts receivable</u>
January 1	\$ 490	\$ 530
Impairment loss recognized	-	706
Reversal of impairment loss (	152)	-
Effect of exchange rate changes	( 17)	6
June 30	<u>\$ 321</u>	<u>\$ 1,242</u>

I. The investments in debt instruments measured at amortized cost and the hierarchical information on credit risk assessment are as follows:

<u>June 30, 2025</u>				
<u>By duration</u>				
	<u>12 months</u>	<u>Significant increase in credit risk</u>	<u>Credit impaired</u>	<u>Total</u>
Financial assets at amortized cost				
Time deposits with original maturities exceeding three months	<u>\$ 64,205</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,205</u>

<u>December 31, 2024</u>				
<u>By duration</u>				
	<u>12 months</u>	<u>Significant increase in credit risk</u>	<u>Credit impaired</u>	<u>Total</u>
Financial assets at amortized cost				
Time deposits with original maturities exceeding three months	<u>\$ 96,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,078</u>

<u>June 30, 2024</u>				
<u>By duration</u>				
	<u>12 months</u>	<u>Significant increase in credit risk</u>	<u>Credit impaired</u>	<u>Total</u>
Financial assets at amortized cost				
Time deposits with original maturities exceeding three months	<u>\$ 101,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,339</u>

(3) Liquidity risk

- A. Cash flow forecasts are performed by each of the Group's operating entities and aggregated by the Group's Finance Department. The Group's Finance Department monitors forecasts of the Group's liquidity requirements to ensure sufficient funds to support its operations and always maintains sufficient unutilized borrowing commitments to prevent violation of the relevant borrowing limits or terms.
- B. The remaining cash held by each operating entity is transferred back to the Finance Department when it exceeds the operating capital management requirements. The Finance Department invests the surplus funds in interest-bearing demand deposits, time deposits, and securities in instruments with appropriate maturities or sufficient liquidity to meet the above forecasts and to provide adequate liquidity.
- C. The non-derivative financial liabilities of the Group are grouped as per due dates below and analyzed based on the remaining period from the balance sheet date to

the contract maturity date. The contractual cash flows disclosed in the following table are undiscounted amounts.

	<u>June 30, 2025</u>		<u>December 31, 2024</u>		<u>June 30, 2024</u>	
	<u>Less than 1 year</u>	<u>Over 1 year</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>	<u>Less than 1 year</u>	<u>Over 1 year</u>
<u>Non-derivative financial liabilities:</u>						
Lease liabilities	\$ 36,522	\$ 83,994	\$ 46,706	\$ 73,054	\$ 51,640	\$110,373
Long-term borrowings	42,521	135,764	51,286	158,742	50,180	176,865
Bonds payable	-	-	-	106,600	-	250,000

Except as stated in the table above, the non-derivative financial liabilities of the Group are all due within one year.

### (III) Fair Value Information

1. The fair value levels of the financial instruments and non-financial instruments measured using the valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair values of the TWSE/TPEX listed stocks held by the Group belong to this level.

Level 2: Inputs, other than quoted market prices within level 1, that are either directly or indirectly observable for assets or liabilities. The fair value of convertible bonds invested by the Group is included.

Level 3: Unobservable inputs for assets or liabilities.

2. Financial instruments not measured at fair value

(1) Except for items listed in the table below, the carrying value of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, notes payable, accounts payable (including related parties), other payables (including related parties), lease liabilities, short-term borrowings, and long-term borrowings (including current portion) are reasonable approximations of their fair values:

June 30, 2025: Not applicable.

<u>December 31, 2024</u>				
		<u>Fair Value</u>		
	<u>Carrying Amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Convertible bonds payable	<u>\$ 97,790</u>	<u>\$ -</u>	<u>\$ 96,718</u>	<u>\$ -</u>

<u>June 30, 2024</u>				
		<u>Fair Value</u>		
	<u>Carrying Amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Convertible bonds payable	<u>\$ 226,963</u>	<u>\$ -</u>	<u>\$ 223,500</u>	<u>\$ -</u>

- (2) The methods and assumptions used to estimate fair value are as follows:  
Based on the reference interest rates from the bond yield curve provided by the Taipei Exchange, the average interest rate for the approximate duration of the convertible corporate bonds is calculated with interpolation. This average interest rate, plus a credit risk premium (bank loan interest rate, credit risk), is a reference value for the risk-adjusted discount rate to measure the present value.

3. Financial instruments measured at fair value

The Group classifies financial instruments at fair value based on the nature, characteristics, and risks of the assets and liabilities, as well as their fair value levels. The relevant information is as follows:

- (1) The Group classifies financial instruments according to the nature of assets and liabilities, and relevant information was as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Financial assets at fair value through other comprehensive income				
-Investments in equity instruments	\$ 51,613	\$ -	\$ -	\$ 51,613
-Expected sale of accounts receivable	-	144,770	-	144,770
	<u>\$ 51,613</u>	<u>\$ 144,770</u>	<u>\$ -</u>	<u>\$ 196,383</u>
<u>December 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Fair value on a</u>				

recurring basis

Financial assets at fair value through profit or loss

-Derivatives held for trading

\$	-	\$	704	\$	-	\$	704
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Financial assets at fair value through other comprehensive income

-Investments in equity instruments

34,792	-	-	34,792
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-Expected sale of accounts receivable

-	100,067	-	100,067
<u>\$ 34,792</u>	<u>\$ 100,771</u>	<u>\$ -</u>	<u>\$ 135,563</u>

June 30, 2024

Level 1

Level 2

Level 3

Total

Assets

Fair value on a recurring basis

Financial assets at fair value through other comprehensive income

-Investments in equity instruments

\$	77,023	\$	-	\$	-	\$	77,023
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-Expected sale of accounts receivable

-	89,259	-	89,259
<u>\$ 77,023</u>	<u>\$ 89,259</u>	<u>\$ -</u>	<u>\$ 166,282</u>

Liabilities

Fair value on a recurring basis

Financial liabilities at fair value through profit or loss

-Derivatives held for trading

<u>\$ -</u>	<u>\$ 550</u>	<u>\$ -</u>	<u>\$ 550</u>
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(2) The methods and assumptions used by the Group to measure fair value are as follows:

A. Where the Group uses market quoted prices as the fair value input (i.e., Level 1), the tools are classified based on the characteristics as follows:

	<u>TWSE/TPEX listed stocks</u>	Stocks listed on the emerging stock market
Market quoted prices	Closing prices	Last transaction price

- B. Except for the above-mentioned financial instruments with active markets, the fair value of other financial instruments is obtained through valuation techniques or with reference to the quoted prices of counterparties. For the fair values obtained through the valuation techniques, the Group refers to the present fair value of other financial instruments with similar conditions and characteristics or other valuation techniques, including calculations using models based on the market information available at the consolidated balance sheet date.
  - C. When evaluating non-standard and less complex financial instruments, such as debt instruments, interest rate swap contracts, foreign exchange swap contracts, and options, all without active markets, the Group adopts the valuation techniques widely used by market participants. The parameters used in the valuation models for such financial instruments are usually market-observable information.
  - D. The output of the valuation models is an estimated value, and the valuation techniques may not reflect all the relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated value of the valuation models will be appropriately adjusted according to additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policies and relevant control procedures, the management believes that valuation adjustments are appropriate and necessary, in order to properly express the fair value of financial instruments and non-financial instruments in the Consolidated Balance Sheets. The price information and parameters used in the evaluation process are carefully evaluated and appropriately adjusted according to current market conditions.
  - E. The Group incorporates the adjustments of credit risk assessment into the fair value considerations for financial instruments and non-financial instruments to reflect the credit risk of the counterparty and the credit quality of the Group, respectively.
- 4. There were no transfers between Level 1 and Level 2 for the six months ended June 30, 2025 and 2024.
  - 5. There were no transfers into or out of Level 3 for the six months ended June 30, 2025 and 2024.

### XIII. Supplementary Disclosures

#### (I) Significant Transactions

1. Loans to others: Table 1.
2. Endorsements/guarantees provided for other parties: Please refer to Table 2.
3. Marketable securities held as of December 31, 2024 ( Excluding investment 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 Paid-in Capital: Table 4.
5. Receivables from related parties amounting to at least NT\$100 Million or 20% of paid-in capital : None
6. Circumstances and amounts of business relations and important transactions between the parent company and subsidiaries and among subsidiaries: Please refer to Table 5.

#### (II) Information on Investees

Information on name and location of investees (excluding investees in Mainland China): Table 6.

#### (III) Information on Investment in Mainland China

1. Basic information: Please refer to Table 7.
2. Significant transactions with investees in Mainland China, either directly or indirectly, through a business in a third region: None.

### XIV. Segment information

#### (I) General information

The management of the Group, as well as the operations and organization of companies, is classified based on business strategies. The current business strategies of the Company are mainly categorized into Japan, Vietnam, the People's Republic of China (including Hong Kong), Malaysia, and Thailand. The management of the Group has identified reportable segments based on the reporting information for the management to formulate strategies.

## (II) Segment information on profit and loss, assets and liabilities

The information on reportable departments provided to the chief decision maker is as follows:

Three months ended June 30, 2025							
	Japan	Vietnam	China (including Hong Kong)	Thailand	Other Asia areas	Adjustment and elimination	Total
Income:							
Income from outside clients	\$ 389,368	\$195,731	\$ 144,310	\$ 94,567	\$ 32,038	\$ -	\$ 856,014
Inter-segment income	31,971	2,443	70,274	196	-	(104,884)	-
Total income	<u>\$ 421,339</u>	<u>\$198,174</u>	<u>\$ 214,584</u>	<u>\$ 94,763</u>	<u>\$ 32,038</u>	<u>(\$104,884)</u>	<u>\$ 856,014</u>
Segment income or loss	<u>\$ 63,940</u>	<u>\$ 16,354</u>	<u>\$ 17,260</u>	<u>(\$ 881)</u>	<u>\$ 31,881</u>	<u>(\$ 85,906)</u>	<u>\$ 42,648</u>
Segment income or loss includes:							
Depreciation and amortization	\$ 14,617	\$ 4,501	\$ 15,010	\$ 7,330	\$ 1,815	\$ -	\$ 43,273
Interest income	\$ 32	\$ 4	\$ 2,705	\$ 7	\$ 501	(\$ 32)	\$ 3,217
Income tax expense	\$ 7,050	\$ 3,275	(\$ 3,094)	\$ 22,702	\$ 212	(\$ 22,706)	\$ 7,439
Interest income	\$ 1,758	\$ -	\$ 218	\$ 252	\$ 31	(\$ 34)	\$ 2,225
Three months ended June 30, 2024							
	Japan	Vietnam	China (including Hong Kong)	Thailand	Other Asia areas	Adjustment and elimination	Total
Income:							
Income from outside clients	\$ 339,255	\$191,873	\$ 191,612	\$ 115,923	\$ 52,086	\$ -	\$ 890,749
Inter-segment income	31,944	2,476	114,392	382	-	(149,194)	-
Total income	<u>\$ 371,199</u>	<u>\$194,349</u>	<u>\$ 306,004</u>	<u>\$ 116,305</u>	<u>\$ 52,086</u>	<u>(\$149,194)</u>	<u>\$ 890,749</u>
Segment income or loss	<u>\$ 95,668</u>	<u>\$ 17,340</u>	<u>\$ 70,741</u>	<u>\$ 12,347</u>	<u>\$ 54,095</u>	<u>(\$174,966)</u>	<u>\$ 75,225</u>
Segment income or loss includes:							
Depreciation and amortization	\$ 11,852	\$ 5,232	\$ 16,253	\$ 7,623	\$ 1,932	\$ -	\$ 42,892
Interest income	\$ 20	\$ 6	\$ 1,234	\$ 5	\$ 914	(\$ 19)	\$ 2,160
Income tax expense	\$ 18,274	\$ 3,122	(\$ 1,549)	\$ -	\$ 45	\$ -	\$ 19,892
Interest income	\$ 1,451	\$ -	\$ 328	\$ 515	\$ 1,176	(\$ 19)	\$ 3,451
Six months ended June 30, 2025							
	Japan	Vietnam	China (including Hong Kong)	Thailand	Other Asia areas	Adjustment and elimination	Total
Income:							
Income from outside clients	\$ 776,985	\$393,685	\$ 264,228	\$ 208,528	\$ 81,047	\$ -	\$ 1,724,473
Inter-segment income	70,228	5,511	157,478	2,335	-	(235,552)	-
Total income	<u>\$ 847,213</u>	<u>\$399,196</u>	<u>\$ 421,706</u>	<u>\$ 210,863</u>	<u>\$ 81,047</u>	<u>(\$235,552)</u>	<u>\$ 1,724,473</u>
Segment income or loss	<u>\$ 129,895</u>	<u>\$ 33,653</u>	<u>\$ 40,513</u>	<u>\$ 4,377</u>	<u>\$ 83,157</u>	<u>(\$200,935)</u>	<u>\$ 90,660</u>
Segment income or loss includes:							
Depreciation and amortization	\$ 28,935	\$ 9,677	\$ 31,028	\$ 14,955	\$ 3,730	\$ -	\$ 88,325
Interest income	\$ 157	\$ 8	\$ 4,518	\$ 54	\$ 1,106	(\$ 68)	\$ 5,775
Income tax expense	\$ 10,385	\$ 6,784	(\$ 3,044)	\$ 11,353	\$ 12,917	(\$ 22,706)	\$ 15,689
Interest income	\$ 3,329	\$ -	\$ 521	\$ 595	\$ 412	(\$ 69)	\$ 4,788



Six months ended June 30, 2024							
	Japan	Vietnam	China (including Hong Kong)	Thailand	Other Asia areas	Adjustment and elimination	Total
Income:							
Income from outside clients	\$ 688,558	\$382,388	\$ 339,302	\$ 226,110	\$ 101,688	\$ -	\$ 1,738,046
Inter-segment income	<u>62,386</u>	<u>6,504</u>	<u>185,838</u>	<u>1,150</u>	<u>-</u>	<u>(255,878)</u>	<u>-</u>
Total income	<u>\$ 750,944</u>	<u>\$388,892</u>	<u>\$ 525,140</u>	<u>\$ 227,260</u>	<u>\$ 101,688</u>	<u>(\$255,878)</u>	<u>\$ 1,738,046</u>
Segment income or loss	<u>\$ 168,015</u>	<u>\$ 41,584</u>	<u>\$ 86,957</u>	<u>\$ 16,488</u>	<u>\$ 104,372</u>	<u>(\$286,904)</u>	<u>\$ 130,512</u>
Segment income or loss includes:							
Depreciation and amortization	<u>\$ 23,878</u>	<u>\$ 11,679</u>	<u>\$ 32,314</u>	<u>\$ 15,431</u>	<u>\$ 3,786</u>	<u>\$ -</u>	<u>\$ 87,088</u>
Interest income	<u>\$ 49</u>	<u>\$ 10</u>	<u>\$ 2,808</u>	<u>\$ 20</u>	<u>\$ 1,145</u>	<u>(\$ 39)</u>	<u>\$ 3,993</u>
Income tax expense	<u>\$ 21,760</u>	<u>\$ 8,784</u>	<u>(\$ 1,208)</u>	<u>\$ -</u>	<u>(\$ 64)</u>	<u>\$ -</u>	<u>\$ 29,272</u>
Interest income	<u>\$ 2,946</u>	<u>\$ -</u>	<u>\$ 705</u>	<u>\$ 1,102</u>	<u>\$ 3,330</u>	<u>(\$ 39)</u>	<u>\$ 8,044</u>

### (III) Information by region

Information by region for the six months ended June 30, 2025 and 2024 is as follows:

	Six months ended June 30, 2025		Six months ended June 30, 2024	
	Non-current			
	Income	assets	Income	Non-current assets
Japan	\$ 776,710	\$ 502,775	\$ 679,083	\$ 500,843
China	267,299	169,436	346,385	222,354
Vietnam	270,551	96,224	293,323	115,085
Thailand	209,672	57,057	227,315	76,228
Malaysia	71,610	44,186	90,764	46,281
Singapore	126,017	-	91,741	-
Other	<u>2,614</u>	<u>2,686</u>	<u>9,435</u>	<u>3,597</u>
	<u>\$ 1,724,473</u>	<u>\$ 872,364</u>	<u>\$ 1,738,046</u>	<u>\$ 964,388</u>

IKKA Holdings (Cayman) Limited and Subsidiaries

Loans to Other Parties

For the Six Months Ended June 30, 2025

Table 1

Unit: Thousands of NTD  
(Unless Otherwise Specified)

No. (Note 1)	Lender	Borrower	Account name (Note 2)	Related party (Y/N)	Maximum amount for the period (Note 3)	Closing Balance (Note 8)	Actual amount drawn down	Interest rate range	Nature of loan (Note 4)	Business transaction amount (Note 5)	Reason for short-term loans (Note 6)	Provision for doubtful debts	Collateral		Limit on loans granted to a single entity (Note 7)	Limit on total loans granted (Note 7)	Remark
													Item	Value			
1	DaiichiKasei	IKKA Technology DongGuan	Other receivables	Y	92,969	82,035	82,035	-	Short-term financing	-	Operating turnover -	-	-	-	1,724,219	1,724,219	Note 1
2	IKKA HK	IKKA Technology DongGuan	Other receivables	Y	50,222	44,316	44,316	-	Short-term financing	-	Operating turnover -	-	-	-	515,450	515,450	Note 1
3	Sol-Plus JP	Hiraiseimitsu	Other receivables	Y	43,394	30,885	30,885	-	Short-term financing	-	Operating turnover -	-	-	-	208,997	208,997	Note 1
3	Sol-Plus JP	Hiraiseimitsu	Other receivables	Y	5,605	5,085	5,085	1.50	Short-term financing	-	Operating turnover -	-	-	-	208,997	208,997	Note 1

Note 1: The Companies are coded as follows:

(1). The issuer is coded as “0”

(2). The investees are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: The following items related to accounts receivable from related companies, accounts receivable from related parties, shareholder transactions, prepaid payments, temporary payments, and any other items of a similar nature, if they belong to the category of loans, must be entered in this field.

Note 3: The maximum balance amount loaned to others during this year.

Note 4: The nature of the loan should be indicated as a business transaction or a short-term financing necessity.

Note 5: If the nature of the loan is a business transaction, the amount of the business transaction should be indicated. The amount of business transactions refers to the amount of business transactions between the lending company and the loan recipient in the most recent year.

Note 6: If a loan is necessary for short-term financing, the reason for the necessary loan and the use of loans by the loan recipient should be specifically stated, such as repayment of loans, purchase of equipment, operating support, etc.

Note 7: The calculation of the limit of financing:

For companies or merchants that are in need of short-term financing, when the Company lends funds, the total amount shall not exceed 40% of the net value of the Company, and the individual loan amount shall not exceed 30% of the net value of the Company's most recent audited, certified, or reviewed financial statements.

However, the foreign companies that directly and indirectly hold 100% of the voting shares are not subject to the restrictions in the preceding paragraph. The total amount of loans and the total amount of loans to a single enterprise shall not exceed 100% of the net value of the lending company.

Note 8: If a public company submits a Board of Directors' resolution for a loan of funds on an individual basis pursuant to Article 14, Paragraph 1 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount of the Board of Directors' resolution should be included in the balance of the announcement to disclose the risk it has assumed, even though the loans have not yet been appropriated.

However, the balance of the loan after repayment of the funds should be disclosed to reflect the adjustment of the risk. If a public company has a Board of Directors' resolution authorizing the Chairman to make loans or revolving loans within a certain amount and a period of one year pursuant to Paragraph 2 of Article 14 of the Rules for Handling,

The amount of the loan approved by the board of directors should still be included in the balance of the announcement, and even though the loans are repaid subsequently, the amount of the funds approved by the Board of Directors' meeting should be included in the balance of the announcement in consideration of the possibility of borrowing the funds again.

IKKA Holdings (Cayman) Limited and Subsidiaries  
Endorsements/Guarantees Provided for Other Parties  
For the Six Months Ended June 30, 2025

Unit: Thousands of NTD  
(Unless Otherwise Specified)

Table 2

No. (Note 1)	Guarantor	Counterparty		Limits on endorsement/ guarantee for a single entity (Note 3)	Highest balance of endorsement guarantee for the period (Note 4)	Closing balance of endorsement/ guarantee (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsement/ guarantee secured by collateral	Ratio of cumulative endorsements/ guarantees to net value in the latest financial statement	Upper limit on endorsements /guarantees	Endorsement/ guarantee provided by parent for subsidiary (Note 8)	Endorsement/g uarantee provided by subsidiary for parent (Note 8)	Endorsement/g uarantee for entities in Mainland China (Note 8)	Remark
		Company name	Relationship (Note 2)											
1	DaiichiKasei	IKKA HK	2	\$ 689,687	\$ 67,260	\$ 61,020	\$ 6,305	\$ -	3.54	\$1,206,953	N	N	N	Note 2

Note 1: The Companies are coded as follows:

- (1). The issuer is coded as “0”
- (2). The investees are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: There are 7 types of relationships between the guarantor and the counterparty , and the codes for each relationship are explained as follows:

- (1). Companies with which there is a business relationship.
- (2). Subsidiaries in which there is a direct holding of more than 50% of the ordinary shares.
- (3). An investee in which the parent company and subsidiaries jointly hold more than 50% of common shares.
- (4). A parent company that directly or indirectly through its subsidiaries holds more than 50% of the common shares of the Company.
- (5). A company to which mutual guarantees are provided in accordance with a contract with a company in the same industry arising from a project.
- (6). A company to which a guarantee is provided by each of the joint shareholders in accordance with their shareholding ratio in a joint venture.
- (7). Joint and several guarantees for pre-sale housing sales contracts jointly with companies in the same industry in accordance with the Consumer Protection Act.

Note 3: The total ceiling on endorsements and guarantees shall not exceed 70% of the net value stated in the Company's most recent financial statements audited or reviewed by a certified public accountant. The endorsement and guarantee limit for a single enterprise, excluding subsidiaries in which the Company directly or indirectly holds more than 90% of the ordinary shares, shall not exceed 40% of the net value stated in the most recent financial statements audited or reviewed by an accountant. The remainder shall not exceed 30% of the Company's current net value.

Note 4: The maximum balance of endorsement/guarantee for others for the current year.

Note 5: The amount approved by the board of directors should be shown. However, if the board of directors authorizes the chairman of the Board of Directors to make a resolution in accordance with Article 12, Paragraph 8 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount shown shall be the amount resolved by the Board of Directors.

Note 6: The actual amount of the endorsed company's expenditures within the range of the endorsement/guarantee balance should be presented.

Note 7: ‘Y’ should only be filled for endorsements/guarantees provided by publicly traded Parent companies and subsidiaries, those provided by subsidiaries to publicly traded parent companies, and those in Mainland China.

IKKA Holdings (Cayman) Limited and Subsidiaries

Securities Held at the End of Period (Excluding Investment in Subsidiaries, Affiliates, and Joint Ventures)

As at June 30, 2025

Table 3

Unit: Thousands of NTD  
(Unless Otherwise Specified)

Holder	Type and Name of Securities(Note 1)	Relationship with the Issuer (Note 2)	Account Name	End of the Period				Remark (Note 4)
				Shares (thousand)	Carrying Amount (Note 3)	Shareholding Ratio	Fair Value	
IKKA Holdings	Stock JET Optoelectronics Co., Ltd.	-	Financial assets measured at fair value through other comprehensive income - non-current	1,177	\$ 34,137	1.96%	\$ 34,137	Unpledged
IKKA Holdings	Partnerships Changneng Capital Limited Partnership	-	Financial assets measured at fair value through other comprehensive income - non-current	-	9,271	1.62%	9,271	Unpledged
IKKA Holdings	Stock Mantis Robotics Inc	-	Financial assets measured at fair value through other comprehensive income - non-current	-	8,205		8,205	Unpledged

Note 1: The term “securities” mentioned in this table refers to stocks, bonds, beneficiary certificates and securities derived from the above-mentioned items within the scope of IFRS 9 “Financial Instruments”.

Note 2: If the issuer of securities is not a related party, the column is exempted.

Note 3: If the securities are measured at fair value, the carrying amount in the column should be the carrying amount balance after fair value adjustment, net of accumulated impairment; if the securities are not measured at fair value, the carrying amount balance in the column should be the carrying amount at acquisition cost or amortized cost, net of accumulated impairment.

Note 4: If any of the listed securities are subject to restrictions on use due to guarantees, pledged loans, or other agreements, the number of shares guaranteed or pledged, the amount of guarantee or pledge, and the circumstances under which the use is restricted should be stated in the Remark column.

IKKA Holdings (Cayman) Ltd. and Subsidiaries

Total Purchases from or Sales to Related Parties Amounting to at Least NT\$100 million or 20% of Paid-in Capital

For the Six Months Ended June 30, 2025

Table 4

Unit: Thousands of NTD  
(Unless Otherwise Specified)

<u>Transaction Details</u>						<u>Situations and reasons where the transaction terms differ from general transactions (Note 1)</u>	<u>Notes and accounts receivable (payable)</u>				
Company of Purchases (Sales)	Transaction Counterparty	Relationship	Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit Period	Unit Price	Credit Period	Balance	Percentage of total notes and accounts receivable (payable)	Remark (Note 2)
IKKA Technology DongGuan	IKKA HK	Same Parent Company	Sales	91,345	6%	O/A 60 days	No Significant Difference	Comparable to general customers	27,057	4%	-

Note 1: If the transaction terms with related parties differ from general transaction terms, the differences and reasons should be specified in the unit price and credit period columns.

Note 2: If there are any advance receipts (payments), the reasons, contractual terms, amounts, and differences from general transaction types should be stated in the remark column.

Note 3: The paid-in capital refers to the paid-in capital of the parent company. For an issuer whose shares have no par value or a par value other than NT\$10, the transaction amount of 20% of the paid-in capital shall be calculated as 10% of the equity attributable to the owners of the parent on the balance sheet.

Note 4: Disclosed based on revenue, the relative transaction will no longer be disclosed.

IKKA Holdings (Cayman) Ltd. and Subsidiaries  
Material Intercompany Transactions and Amounts  
For the Six Months Ended June 30, 2025

Table 5

Unit: Thousands of NTD  
(Unless Otherwise Specified)

Transaction Details							
No. (Note 1)	Purchaser (Seller)	Transaction Counterparty	Relationship with Purchaser (Seller)	Account Name	Amount	Transaction Terms	Percentage of Consolidated Operating Revenue or Total Assets (Note 3)
2	IKKA HK	DaiichiKasei	3	Sales revenue	\$ 65,897	O/A 60 days	4%
4	IKKA Technology DongGuan	IKKA HK	3	Sales revenue	91,345	O/A 60 days	6%

Note 1: The information on business transactions between the parent company and subsidiaries should be indicated in the number column separately, and the number should be filled in as follows:

- (1). The parent company is coded as “0”.
- (2). The subsidiaries are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: There are three types of relationships with the transacting party (purchaser/seller). Only the type is required to indicate. (For intercompany transactions, such as between a parent and its subsidiary, or between subsidiaries, duplicate disclosure is not required. For example, if a parent company has already disclosed a transaction with its subsidiary, the subsidiary does not need to disclose it again. Similarly, if one subsidiary has disclosed its transaction with another subsidiary, the latter does not need to repeat the disclosure.):

- (1). Parent company to subsidiary.
- (2). Subsidiary to parent company
- (3). Subsidiary to subsidiary

Note 3: The ratio of the transaction amount to consolidated total revenues or total assets calculation: for balance sheet items, it is calculated as the ending balance to consolidated total assets for balance sheet items and for profit or loss items, it is calculated as the interim cumulative amount to consolidated total operating revenues.

Note 4: The materiality principle of this statement is based on the ratio of the transaction amount to 3% of the consolidated total revenue or total assets. In addition, assets and revenues are disclosed on an asset and revenue basis, and the related transactions are not disclosed.

## IKKA Holdings (Cayman) Ltd. and Subsidiaries

## Information on Investees (Name, Location, etc.) (Investees in the Mainland Area Excluded)

For the Six Months Ended June 30, 2025

Table 6

Unit: Thousands of NTD  
(Unless Otherwise Specified)

Investor	Investee (Notes 1, 2)	Location	Main business	Initial investment amount		Closing balance		Net income (loss) of investee for the period (Note 2(2))	Investment income (loss) recognized for the period (Note 2(3))	Remark	
				End of the period	End of last year	Shares	Ownership (%)				Carrying amount
IKKA Holdings	DaiichiKasei	Japan	Manufacturing precision plastic injection molding parts and molding sets, molds and machinery, and precision ceramics molding parts.	\$ 627,091	\$ 627,091	64,081	100.00	\$ 1,724,219	\$ 98,286	\$ 98,286	Subsidiary
IKKA Holdings	Sol-Plus HK	Hong Kong	Investment Business	282,535	282,535	7,000,000	100.00	269,768	22,513	22,513	Subsidiary
DaiichiKasei	M.A.C. Technology	Malaysia	Assembly, manufacturing of CDs and CD-ROMs, computer printers, precision ceramics and molds for electronic and industrial use, and plastic injection components for the electronic and camera industries.	380,603	380,603	41,665,000	100.00	130,002	( 4,659)	( 4,659)	Sub-subsubsidiary
DaiichiKasei	IKKA Vietnam	Vietnam	Production, operation, and processing of automobiles and common plastic and metal parts for office equipment	58,346	58,346	2,500,000	100.00	472,836	27,181	27,181	Sub-subsubsidiary
DaiichiKasei	IKKA HK	Hong Kong	Investment and trade	292,545	292,545	80,067,000	100.00	515,450	12,829	12,829	Sub-subsubsidiary
Sol-Plus HK	Sol-Plus JP	Japan	Manufacturing and selling plastic products and molds	191,587	191,587	3,404,019,254	100.00	208,997	21,803	21,803	Sub-subsubsidiary
Sol-Plus JP	Hiraiseimitsu	Thailand	Manufacturing and selling plastic products and molds	250,708	250,708	2,500,000	100.00	100,776	15,652	15,652	Sub-subsubsidiary

Note 1: If a public company has a foreign holding company and, in accordance with local laws and regulations, uses consolidated financial statements as its primary financial report, the disclosure of information about the foreign investee may be limited to the relevant information about the holding company.

Note 2: For cases other than those described in Note 1, the following rules apply:

- (1) The columns for “Investee”, “Location”, “Main business”, “Initial investment amount”, and “Closing balance” should be completed in order based on the reinvestment status of the (public) Company and each directly or indirectly controlled investee, and specify the relationships between the investee and the (public) Company in the “Remark” column (such as subsidiary or sub-subsubsidiary).
- (2) The “Net income (loss) of investee for the period” column should be filled in with the amount of each investee's profit or loss for the current period.
- (3) The “Investment income (loss) recognized for the period” column should be filled in with the amount of profit or loss only for the subsidiaries in which the (public) company has recognized direct reinvestment and the investees that are evaluated with the equity method, and the rest should be exempted. When completing the “Net profit or loss of each subsidiary recognized as direct investment for the period”, it should be ensured that the profit or loss of each subsidiary for the period already includes the investment profit or loss that should be recognized from their own reinvestments in accordance with regulations.

IKKA Holdings (Cayman) Ltd. and Subsidiaries  
Investment in Mainland China — General Information  
For the Six Months Ended June 30, 2025

Table 7

Unit: Thousands of NTD  
(Unless Otherwise Specified)

Investee	Main business	Paid-in capital	Method of investment (Note 1)	Accumulated investment outflow from Taiwan as of beginning of the Period	Investment flows		Accumulated investment outflow from Taiwan as of end of the period	Net profit (loss) of investee	Direct or indirect percentage of ownership	Investment income (loss) in the current period (Note 2)	Carrying amount of investments as of end of the period	Investment income repatriated as of end of the period	Remark
					Outflow	Inflow							
IKKA Technology DongGuan Co., Ltd.	Production and sale of precise plastic accessories, hardware accessories, bearings, and molds	\$ 232,837	2	\$ -	\$ -	\$ -	\$ -	\$7,996	100.00	\$7,996	\$ 387,473	\$ -	Note 2(2)B and Note 5

Company name	Accumulated Outward Remittance for Investment from Taiwan as of the end of the period	Investment amount authorized by Investment Commission, MOEA	Upper limit on the amount of investment stipulated by Investment Commission, MOEA
	Note 4	Note 4	Note 4
-			

Note 1: There are three types of investment:

- (1). Direct investment in Mainland China.
- (2). Reinvestment in Mainland China via a third-area company (please specify the investment company in that third area).
- (3). Other methods.

Note 2: In the “Investment income (loss) in the current period” column:

- (1). If there is no investment gain or loss in the preparatory stage, it should be noted.
- (2). The basis for recognized investment income or loss is categorized into the following three types, which should be noted.
  - A. The financial statements were audited by an international certified public accounting firm in cooperation with a Republic of China accounting firm.
  - B. The financial statements audited by the certifying accountant of the Taiwan parent company.
  - C. Others.

Note 3: Relevant figures in this table should be presented in NTD.

Note 4: The Company is not an entity incorporated in the Republic of China, so it is not applicable.

Note 5: Investment in Mainland China through an investee in the third region (IKKA HK Investment).