

GSeven Co., Ltd. and Subsidiaries
Consolidated financial statements and
Independent Auditors' Report
Third Quarter of 2025 and 2024
(Ticker: 2937)

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GSeven Co., Ltd. and Subsidiaries

Third Quarter 2025 and 2024 Consolidated Financial Statements and Independent Auditors' Report

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Independent Auditors' Report
(2025) Cai-Shen-Bao-Zi No. 25002029

To GSeven Co., Ltd.:

Foreword

GSeven Co., Ltd. and Subsidiaries (hereinafter referred to as "GSeven Group") – The consolidated balance sheets as of September 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024, as well as for the nine months ended September 30, 2025, the consolidated statements of changes in equity, the consolidated statements of cash flows, and the notes to the consolidated financial statements (including a summary of significant accounting policies) for the nine months ended September 30, 2025, and 2024, have been audited by the undersigned accountants. The preparation of consolidated financial statements that fairly present in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of management. The accountant's responsibility is to express a conclusion on the consolidated financial statements based on the review.

Scope

The accountant conducted this review in accordance with the Republic of China Statement on Auditing Standards No. 2410 "Review of Financial Statements." The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is significantly less than that of an audit; therefore, the accountant may not become aware of all significant matters that might be identified in an audit and accordingly cannot express an audit opinion.

Conclusion

Based on the accountant's review, nothing has come to attention that leads to the belief that the aforementioned consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission. Furthermore, they fairly present the consolidated financial position of the GSeven Group as of September 30, 2025, and 2024, as well as its consolidated financial performance for the nine months ended September 30, 2025, and 2024, along with its consolidated cash flows for the nine months ended September 30, 2025.

PwC Taiwan

Liao, A-Shen
CPA

Wang, Chun-Kai

Approval reference number of the Financial Supervisory Commission, former Executive Yuan: Jin-Guan-Zheng-Shen-Zi No. 1010015969

Approval reference number of the Financial Supervisory Commission: Jin-Guan-Zheng-Shen-Zi No. 1110349013

November 3, 2025

GSeven Co., Ltd. and Subsidiaries
Consolidated balance sheets
September 30, 2025, December 31, 2024, and September 30, 2024.

Unit: NT\$ Thousand

	Assets	Notes	September 30, 2025		December 31, 2024		September 30, 2024		
			Amount	%	Amount	%	Amount	%	
Current assets									
1100	Cash and cash equivalents	6(1)	\$ 304,853	10	\$ 314,384	9	\$ 226,200	8	
1110	Current financial assets at fair value through profit or loss	6(2)		-	3,202	-	3,290	-	
1136	Current financial assets at amortized cost	6(3) and 8		9,344	-	16,344	-	15,344	1
1150	Notes receivable, net	6(4)	127	-	5,448	-	27	-	
1170	Accounts receivable, net	6(4)	522,314	16	791,119	23	475,789	17	
1200	Other receivables	6(5)	224,464	7	295,827	9	207,801	7	
1220	Current tax assets		396	-	-	-	-	-	
130X	Inventory	6(6)	1,207,621	37	1,106,809	33	1,024,375	35	
1410	Prepayments	6(7)	141,925	4	52,226	2	175,534	6	
1479	Other current assets, others		13,759	1	41,236	1	5,313	-	
11XX	Total current assets		<u>2,424,803</u>	<u>75</u>	<u>2,626,595</u>	<u>77</u>	<u>2,133,673</u>	<u>74</u>	
Non-current assets									
1600	Property, plant and equipment	6(8) and 8	678,347	21	655,891	19	648,234	22	
1755	Right-of-use assets	6(9)	21,862	1	26,880	1	29,073	1	
1760	Investment property, net	6(10) and 8	75,580	2	52,026	2	52,197	2	
1780	Intangible assets	6(11)	13,198	-	15,077	-	15,279	-	
1840	Deferred tax assets		20,888	1	20,551	1	20,546	1	
1915	Prepayments for business facilities		-	-	133	-	133	-	
1920	Guarantee deposits paid		702	-	878	-	908	-	
1990	Other non-current assets, others		8,000	-	-	-	-	-	
15XX	Total non-current assets		<u>818,577</u>	<u>25</u>	<u>771,436</u>	<u>23</u>	<u>766,370</u>	<u>26</u>	
1XXX	Total assets		<u>\$ 3,243,380</u>	<u>100</u>	<u>\$ 3,398,031</u>	<u>100</u>	<u>\$ 2,900,043</u>	<u>100</u>	

(continued)

GSeven Co., Ltd. and Subsidiaries
Consolidated balance sheets
September 30, 2025, December 31, 2024, and September 30, 2024.

Unit: NT\$ Thousand

	Liabilities and equity	Notes	September 30, 2025		December 31, 2024		September 30, 2024			
			Amount	%	Amount	%	Amount	%		
Liabilities										
Current liabilities										
2100	Short-term borrowings	6(12)	\$ 855,000	26	\$ 535,000	16	\$ 725,000	25		
2130	Current contract liabilities	6(18)	676,516	21	991,964	29	660,394	23		
2150	Notes payable		5,092	-	10,072	-	4,878	-		
2170	Accounts payable		474,928	15	563,091	17	381,185	13		
2200	Other payables	6(13)	134,983	4	172,002	5	113,975	4		
2230	Current tax liabilities		2,062	-	25,852	1	4,564	-		
2280	Current lease liabilities	6(9)	7,339	-	8,090	-	8,279	-		
2310	Advance receipts		741	-	17,413	1	744	-		
2399	Other current liabilities, others		14,774	1	4,184	-	9,346	1		
21XX	Total current liabilities		<u>2,171,435</u>	<u>67</u>	<u>2,327,668</u>	<u>69</u>	<u>1,908,365</u>	<u>66</u>		
Non-current liabilities										
2570	Deferred tax liabilities		8	-	8	-	-	-		
2580	Non-current lease liabilities	6(9)	15,174	1	19,411	1	21,395	1		
2610	Long-term notes and accounts payable		10,500	-	13,650	-	13,901	1		
2640	Net defined benefit liabilities, non-current		6,892	-	6,973	-	11,047	-		
2645	Guarantee deposits received		3,158	-	3,072	-	3,071	-		
25XX	Total non-current liabilities		<u>35,732</u>	<u>1</u>	<u>43,114</u>	<u>1</u>	<u>49,414</u>	<u>2</u>		
2XXX	Total liabilities		<u>2,207,167</u>	<u>68</u>	<u>2,370,782</u>	<u>70</u>	<u>1,957,779</u>	<u>68</u>		
Equity										
Equity attributable to owners of parent										
	Share capital	6 (15)								
3110	Ordinary share		435,420	14	395,836	12	395,836	14		
	Capital surplus	6(16)								
3200	Capital surplus		136,138	4	136,138	4	136,138	4		
	Retained earnings	6(17)								
3310	Legal reserve		97,959	3	82,335	2	82,335	3		
3350	Unappropriated retained earnings		366,696	11	412,940	12	327,955	11		
31XX	Total equity attributable to owners of parent		<u>1,036,213</u>	<u>32</u>	<u>1,027,249</u>	<u>30</u>	<u>942,264</u>	<u>32</u>		
3XXX	Total equity		<u>1,036,213</u>	<u>32</u>	<u>1,027,249</u>	<u>30</u>	<u>942,264</u>	<u>32</u>		
	Major contingent liabilities and unrecognized contractual commitments	9								
3X2X	Total liabilities and equity		<u>\$ 3,243,380</u>	<u>100</u>	<u>\$ 3,398,031</u>	<u>100</u>	<u>\$ 2,900,043</u>	<u>100</u>		

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

Chairperson: Lu, Chien-san

Manager: Hsieh, Shu-min

Accounting Officer: Ho, Cheng-feng

GSeven Co., Ltd. and Subsidiaries
Consolidated statements of comprehensive income
Three months and Nine months ended September 30, 2025 and 2024

Unit: NT\$ Thousand
(except that earnings per share is in NT\$)

Items	Notes	Three months ended September 30				Nine months ended September 30					
		2025		2024		2025		2024			
		Amount	%	Amount	%	Amount	%	Amount	%		
4000	Operating revenue	6(18)	\$ 1,112,270	100	\$ 996,534	100	\$ 3,462,885	100	\$ 3,066,920	100	
5000	Operating costs	6(6)			(23)						
		(24)		(867,657)	(78)	(775,184)	(78)	(2,698,067)	(78)	(2,362,913)	(77)
5900	Gross profit from operations		<u>244,613</u>	<u>22</u>	<u>221,350</u>	<u>22</u>	<u>764,818</u>	<u>22</u>	<u>704,007</u>	<u>23</u>	
	Operating expenses	6(23)			(24)						
6100	Selling expenses		(163,835)	(15)	(153,477)	(15)	(500,873)	(15)	(485,948)	(16)	
6200	Administrative expense		(50,051)	(4)	(37,572)	(4)	(153,996)	(4)	(127,004)	(4)	
6450	Expected credit loss	12(2)	(202)	-	(136)	-	(62)	-	(128)	-	
6000	Total operating expenses		(214,088)	(19)	(191,185)	(19)	(654,931)	(19)	(613,080)	(20)	
6900	Net operating income		<u>30,525</u>	<u>3</u>	<u>30,165</u>	<u>3</u>	<u>109,887</u>	<u>3</u>	<u>90,927</u>	<u>3</u>	
	Non-operating income and expenses										
7100	Interest income	6(19)	54	-	60	-	734	-	619	-	
7010	Other income	6(20)	1,639	-	1,148	-	6,236	-	5,099	-	
7020	Other gains and losses	6(21)	(234)	-	(124)	-	(521)	-	(690)	-	
7050	Financial costs	6(22)	(2,928)	-	(2,062)	-	(7,636)	-	(6,093)	-	
7000	Total non-operating income and expenses		(1,469)	-	(978)	-	(1,187)	-	(1,065)	-	
7900	Profit before tax		<u>29,056</u>	<u>3</u>	<u>29,187</u>	<u>3</u>	<u>108,700</u>	<u>3</u>	<u>89,862</u>	<u>3</u>	
7950	Tax expense	6(25)	(4,607)	(1)	(5,773)	(1)	(20,569)	-	(18,612)	(1)	
8200	Profit for the period		<u>\$ 24,449</u>	<u>2</u>	<u>\$ 23,414</u>	<u>2</u>	<u>\$ 88,131</u>	<u>3</u>	<u>\$ 71,250</u>	<u>2</u>	
8500	Total comprehensive income for the period		<u>\$ 24,449</u>	<u>2</u>	<u>\$ 23,414</u>	<u>2</u>	<u>\$ 88,131</u>	<u>3</u>	<u>\$ 71,250</u>	<u>2</u>	
	Profit attributable to:										
8610	Owners of parent company		<u>\$ 24,449</u>	<u>2</u>	<u>\$ 23,414</u>	<u>2</u>	<u>\$ 88,131</u>	<u>3</u>	<u>\$ 71,250</u>	<u>2</u>	
	Comprehensive income attributable to:										
8710	Owners of parent company		<u>\$ 24,449</u>	<u>2</u>	<u>\$ 23,414</u>	<u>2</u>	<u>\$ 88,131</u>	<u>3</u>	<u>\$ 71,250</u>	<u>2</u>	
	Earnings per share	6(26)									
9750	Basic		<u>\$ 0.56</u>		<u>\$ 0.54</u>		<u>\$ 2.02</u>		<u>\$ 1.64</u>		
9850	Diluted		<u>\$ 0.56</u>		<u>\$ 0.54</u>		<u>\$ 2.01</u>		<u>\$ 1.63</u>		

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

Chairperson: Lu, Chien-san

Manager: Hsieh, Shu-min

Accounting Officer: Ho, Cheng-feng

GSeven Co., Ltd. and Subsidiaries
Consolidated statements of changes in equity
Nine months ended September 30, 2025 and 2024

Unit: NT\$ Thousand

Notes		Equity attributable to owners of parent					Total	
		Share capital		Retained earnings				
		Ordinary share	Stock dividend to be distributed	Capital surplus	Legal reserve	Unappropriated retained earnings		
2024								
Balance at January 1, 2024		\$ 395,836	\$ -	\$ 136,138	\$ 71,480	\$ 346,727	\$ 950,181	
Profit		-	-	-	-	71,250	71,250	
Other comprehensive income		-	-	-	-	-	-	
Total comprehensive income		-	-	-	-	71,250	71,250	
Appropriation and distribution of 2023 earnings:								
Legal reserve		-	-	-	10,855	(10,855)	-	
Cash dividend	6(17)	-	-	-	-	(79,167)	(79,167)	
Balance at September 30, 2024		\$ 395,836	\$ -	\$ 136,138	\$ 82,335	\$ 327,955	\$ 942,264	
2025								
Balance at January 1, 2025		\$ 395,836	\$ -	\$ 136,138	\$ 82,335	\$ 412,940	\$ 1,027,249	
Profit		-	-	-	-	88,131	88,131	
Other comprehensive income		-	-	-	-	-	-	
Total comprehensive income		-	-	-	-	88,131	88,131	
Appropriation and distribution of 2024 earnings:								
Legal reserve		-	-	-	15,624	(15,624)	-	
Stock dividends	6(15)(17)	39,584	-	-	-	(39,584)	-	
Cash dividend	6(17)	-	-	-	-	(79,167)	(79,167)	
Balance at September 30, 2025		\$ 435,420	\$ -	\$ 136,138	\$ 97,959	\$ 366,696	\$ 1,036,213	

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

Chairperson: Lu, Chien-san

Manager: Hsieh, Shu-min

Accounting Officer: Ho, Cheng-feng

GSeven Co., Ltd. and Subsidiaries
Consolidated statements of cash flows
Nine months ended September 30, 2025 and 2024

Unit: NT\$ Thousand

	Notes	Nine months ended September 30	
		2025	2024
<u>Cash flows from operating activities</u>			
Profit before tax		\$ 108,700	\$ 89,862
Adjustments			
Adjustments to reconcile profit (loss)			
Net gains on financial assets and liabilities measured at fair value through profit or loss	6(2)(21)	(95)	(28)
Expected credit loss	12(2)	62	128
Depreciation expense	6(8)(9)(10)	21,865	20,348
Amortization expense	6(11)(23)	2,552	2,432
Loss on disposal of property, plant and equipment	6(21)	-	57
Interest income	6(19)	(734)	(619)
Interest expense	6(22)	7,636	6,093
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		3,297	(3,262)
Notes receivable		5,321	229
Accounts receivable		268,823	439,594
Other receivables		71,283	37,034
Inventory		(100,812)	(52,727)
Prepayments		(89,699)	(137,714)
Other current assets, others		27,477	7,010
Changes in operating liabilities			
Current contract liabilities		(315,448)	(169,360)
Notes payable		(4,980)	(457)
Accounts payable		(88,163)	(153,810)
Other payables		(37,019)	(28,390)
Advance receipts		(16,672)	(11,152)
Other current liabilities, others		(10,590)	(32)
Long-term notes and accounts payable		(3,150)	(7,299)
Net defined benefit liabilities, non-current		(81)	(3,243)
Cash (outflows) inflows generated from operations		(129,247)	49,292
Interest received		734	619
Interest paid		(7,636)	(6,093)
Income tax paid		(45,092)	(28,332)
Net cash (outflow) inflow from operating activities		(181,241)	15,486
<u>Cash flows from investing activities</u>			
Decrease in current financial assets measured at amortized cost		7,000	(4,491)
Acquisition of property, plant and equipment	6(8)	(61,539)	(87,045)
Proceeds from disposal of property, plant and equipment	6(8)	-	1,737
Acquisition of intangible assets	6(11)	(673)	-
Increase in prepayments for business facilities		-	(133)
Increase decrease(in refundable deposits)		176	(42)
Increase in other non-current assets, others		(8,000)	-
Net cash flows used in investing activities		(63,036)	(89,974)
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	6(28)	1,672,000	1,955,000
Decrease in short-term borrowings	6(28)	(1,352,000)	(1,818,000)
Increase in guarantee deposits received	6(28)	86	568
Payment of lease liabilities	6(28)	(6,173)	(6,580)
Cash dividends paid	6(17)	(79,167)	(79,167)
Net cash inflows from financing activities		234,746	51,821
Net decrease in cash and cash equivalents		(9,531)	(22,667)
Cash and cash equivalents at beginning of period		314,384	248,867
Cash and cash equivalents at end of period		<u><u>\$ 304,853</u></u>	<u><u>\$ 226,200</u></u>

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

Chairperson: Lu, Chien-san

Manager: Hsieh, Shu-min

Accounting Officer: Ho, Cheng-feng

GSeven Co., Ltd. and Subsidiaries
Notes to the consolidated financial statements
Third Quarter of 2025 and 2024

Unit: NT\$ Thousand
(unless otherwise specified)

I. Company History

The Company was approved for establishment on November 26, 1994. The Group and its subsidiaries (hereinafter collectively referred to as “the Group”) primarily engage in businesses including the manufacturing of various electrical products, audiovisual equipment assemblies, maintenance and repair services, sales of related equipment, import-export trading, agency bidding, distribution for domestic and international manufacturers, and wholesale and retail of medical equipment. The Company’s shares have been traded publicly at the Taipei Exchange since June 8, 2017.

II. Date and procedure for the approval of financial statements

The consolidated financial statement was approved by the Board of Directors and released on November 3, 2025.

III. The application of new and amended standards and interpretations

(I) The impact of the new and amended IFRS that have been approved and released by the Financial Supervisory Commission (hereinafter referred to as the “FSC”) is included.

The following table summarizes the newly issued, amended, and revised standards and interpretations of IFRS endorsed and announced by the FSC that will be applicable in 2025:

Newly issued, amended, and revised standards and interpretations	Effective date announced by the International Accounting Standards Board (IASB)
Amendment to IAS 21 “Lack of Convertibility”	January 1, 2025

The Group has assessed that the above standards and interpretations have no significant impact on the Group’s financial position and financial performance.

(II) The impact of not adopting the new and amended IFRS that have been approved by the FSC has not yet been adopted.

The following table summarizes the newly issued, amended, and revised standards and interpretations of IFRS endorsed by the FSC that will be applicable in 2025:

Newly issued, amended, and revised standards and interpretations	Effective date announced by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7, “Modifications to Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7: “Contracts Involving Natural Electricity”	January 1, 2026

<u>Newly issued, amended, and revised standards and interpretations</u>	Effective date announced by the International Accounting Standards Board (IASB)
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026

The Group has assessed that the above standards and interpretations have no significant impact on the Group’s financial position and financial performance.

(III) The impact of the IFRS that have been issued by the IASB but have not yet been approved by the FSC:

The following table sets forth the new issues, amendments, and revisions of IFRS that have been issued by the IASB but have not yet been approved by the FSC:

<u>Newly issued, amended, and revised standards and interpretations</u>	Effective date announced by the International Accounting Standards Board (IASB)
Amendment to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture”	To be decided by IASB
IFRS 18 “Presentation and Disclosure of Financial Statements”	January 1, 2027 (Note)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: In a press release dated September 25, 2025, the Financial Supervisory Commission announced that International Financial Reporting Standard No. 18 (hereinafter referred to as IFRS 18) will be applicable to publicly listed companies starting in 2028. Furthermore, companies may elect to apply IFRS 18 early, subject to approval from the Financial Supervisory Commission.

Except as described below, the Group has assessed that the aforementioned standards and interpretations have no material impact on its financial position and financial performance. The related impact amounts will be disclosed upon completion of the assessment:

IFRS 18 “Presentation and Disclosure of Financial Statements”

IFRS No. 18 “Presentation and Disclosure of Financial Statements” replaces International Accounting Standard No. 1, updates the structure of the statement of comprehensive income, introduces new disclosures for management performance measures, and enhances the principles of aggregation and disaggregation applied to primary financial statements and notes.

IV. Summary of important accounting policies

Significant accounting policies, except for statements of compliance, basis of preparation, basis of consolidation, and additional explanations as described below, are the same as those described in Note 4 to the consolidated financial statements for the year ended December 31, 2024. Unless otherwise

stated, these policies are applicable throughout the reporting period.

(I) Statement of compliance

1. These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 “Interim Financial Reporting” as endorsed and issued into effect by the Financial Supervisory Commission.
2. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(II) Basis of preparation

1. Except for the following important items, the consolidated financial statements are prepared based on historical cost:
 - (1) Financial assets and liabilities measured at fair value through profit or loss (including derivatives).
 - (2) The net amount of pension fund assets less the present value of defined benefit obligations is recognized as a defined benefit liability.
2. The preparation of financial reports in accordance with IFRS, IAS, Interpretations, and Interpretation Announcements (hereinafter referred to as IFRSs) recognized and effective by the Financial Supervisory Commission requires the use of certain significant accounting estimates. It also requires management to exercise judgment in the process of applying the Group’s accounting policies. Items involving a high degree of judgment or complexity, or items involving significant assumptions and estimates for consolidated financial reports, are detailed in Note 5.

(III) Basis of consolidation

1. The principle for preparation of consolidated financial statements

The preparation principles of these consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2024.

2. Subsidiaries included in the consolidated financial statements:

Name of the investment company	Subsidiaries names	Business nature	Percentage of ownership held			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	GShare Co., Ltd.	Wholesale and retail of electrical appliances, home appliances, audio equipment, information and communication products, etc.	100%	100%	100%	-

3. Subsidiaries not included in the consolidated financial statements: None.
4. Different adjustment and management methods during the accounting period of the subsidiaries: None.
5. Major limitation: None.

6. Subsidiaries with significant non-controlling interests in the Group: None.

(IV) Employee benefits

Pension costs for the interim period are calculated based on the pension cost rate determined by actuarial valuation as of the end of the previous financial year, applied from the beginning of the year to the end of the current period. If there are significant market fluctuations and significant curtailments, settlements, or other significant one-time events after that ending date, adjustments are made accordingly, and relevant information is disclosed in accordance with the aforementioned policies.

(V) Income tax

Income tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit or loss for the interim period, and relevant information is disclosed in accordance with the aforementioned policies.

V. Major sources of uncertainty over significant accounting judgments, assumptions, and estimation

There were no significant changes during the period. Please refer to Note 5 to the consolidated financial statements for the year ended December 31, 2024.

VI. Description of important accounting items

(I) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash on hand and revolving funds	\$ 8,969	\$ 10,189	\$ 31,253
Checking deposits and demand deposits	295,884	304,195	194,447
Time deposits	<u>-</u>	<u>-</u>	500
	<u>\$ 304,853</u>	<u>\$ 314,384</u>	<u>\$ 226,200</u>

1. The Group maintains banking relationships with financial institutions of high credit quality, and by diversifying these relationships across multiple financial institutions, it expects the probability of default to be extremely low.
2. The Group does not pledge cash and cash equivalents.

(II) Current Financial assets and liabilities measured at fair value through profit or loss

<u>Items</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Financial assets at fair value through profit or loss			
Financial bonds	\$ -	\$ 3,379	\$ 3,262
Valuation adjustment	<u>-</u>	<u>(177)</u>	<u>28</u>
	<u>\$ -</u>	<u>\$ 3,202</u>	<u>\$ 3,290</u>

1. The net profits recognized on the financial assets and liabilities measured at fair value through profit or loss for the three months ended July 1 to September 30, 2025 and 2024, and

nine months ended September 30, 2025 and 2024 were \$0, \$175 and \$95, and \$28, respectively.

2. The Group does not pledge financial assets measured at fair value through profit or loss.

(III) Financial assets at amortized cost

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current items:			
Restricted time deposits	\$ 9,344	\$ 16,344	\$ 15,344

1. For the interest income recognized in profit or loss of the financial assets measured at amortized cost by the Group, please refer to the descriptions in Note 6(19).
2. Without taking into account any collateral held or other credit enhancements, the amounts that best represent the Group's maximum exposure to credit risk in respect of financial assets measured at amortized cost were NT\$9,344, NT\$16,344, and NT\$15,344 as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.
3. For the information on collateral with the above-mentioned assets, refer to the descriptions in Note 8.
4. For the credit risk information of financial assets measured at amortized cost, please refer to Note 12, (2). The counterparties of the Group's investment in time deposits are financial institutions with good credit quality, and the probability of default is expected to be very low.

(IV) Notes and accounts receivable

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable	\$ 127	\$ 5,448	\$ 27
Accounts receivable	\$ 524,022	\$ 792,845	\$ 477,492
Less: loss allowance	(1,708)	(1,726)	(1,703)
	<u>\$ 522,314</u>	<u>\$ 791,119</u>	<u>\$ 475,789</u>

1. The aging analysis of notes receivable and accounts receivable is as follows:

	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable
Not past due	\$ 127	\$ 522,271	\$ 5,448	\$ 791,198	\$ 27	\$ 475,675
Within 30 days	-	104	-	-	-	170
31–90 days	-	-	-	-	-	-
More than 91 days	-	1,647	-	1,647	-	1,647
	<u>\$ 127</u>	<u>\$ 524,022</u>	<u>\$ 5,448</u>	<u>\$ 792,845</u>	<u>\$ 27</u>	<u>\$ 477,492</u>

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

2. The balances of notes receivable and accounts receivable as of September 30, 2025,

December 31, 2024, and September 30, 2024 all arose from contracts with customers. In addition, the balance of notes receivable and accounts receivable from contracts with customers as of January 1, 2024 was NT\$917,342.

3. The Group did not provide notes and accounts receivable as collateral as of September 30, 2025, December 31, 2024, and September 30, 2024.
4. Without taking into account any collateral held or other credit enhancements, the amounts that best represent the Group's maximum exposure to credit risk in respect of notes receivable were NT\$127, NT\$5,448, NT\$5,488, and NT\$27 as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively. The amounts that best represent the Group's maximum exposure to credit risk in respect of accounts receivable were NT\$522,314, NT\$791,119, and NT\$475,789 as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.
5. The Group does not hold any collateral.
6. For the credit risk information of notes and accounts receivable, please refer to Note 12, (2).

(V) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Other receivables, incentive (Note)	\$ 220,124	\$ 294,545	\$ 199,564
Other receivables, others	4,913	1,775	8,447
Less: loss allowance – other receivables	(573)	(493)	(210)
	<u>\$ 224,464</u>	<u>\$ 295,827</u>	<u>\$ 207,801</u>

Note: The Group has sold the products to the extent that the suppliers are required to provide the Group with the incentive payment.

1. Without considering collateral held or other credit enhancements, the amounts that best represent the Group's maximum exposure to credit risk for other receivables as of September 30, 2025, December 31, 2024, and September 30, 2024 were NT\$224,464, NT\$295,827, and NT\$207,801, respectively.
2. The Group did not pledge other receivables as collateral as of September 30, 2025, December 31, 2024, and September 30, 2024.
3. For the credit risk information of other receivables, please refer to Note 12, (2).

(VI) Inventory

	September 30, 2025		
	Cost	Allowance for valuation losses	Book value
Merchandise inventory	<u>\$ 1,276,096</u>	<u>(\$ 68,475)</u>	<u>\$ 1,207,621</u>
December 31, 2024			
	Cost	Allowance for valuation losses	Book value
Merchandise inventory	<u>\$ 1,180,337</u>	<u>(\$ 73,528)</u>	<u>\$ 1,106,809</u>
September 30, 2024			
	Cost	Allowance for valuation losses	Book value
Merchandise inventory	<u>\$ 1,098,601</u>	<u>(\$ 74,226)</u>	<u>\$ 1,024,375</u>

Related expenses of inventory recognized of the current period:

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Cost of inventory sold	\$ 856,324	\$ 763,782
Loss on retirement	2,467	-
(reversal of impairment) impairment loss (Note)	(5,731)	1,622
Installation cost	13,710	9,049
Other matters	887	731
	<u>\$ 867,657</u>	<u>\$ 775,184</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Cost of inventory sold	\$ 2,667,130	\$ 2,326,165
Loss on retirement	2,467	-
(reversal of impairment) impairment loss (Note)	(5,053)	4,740
Installation cost	30,926	28,264
Other matters	2,597	3,744
	<u>\$ 2,698,067</u>	<u>\$ 2,362,913</u>

Note: The Group's recognition of inventory decline recovery gains is mainly due to the disposal of inventories for which a valuation loss had been provided.

(VII) Prepayments

	September 30, 2025	December 31, 2024	September 30, 2024
Advance sales receipts	\$ 104,032	\$ 21,589	\$ 156,391
Tax credit	20,238	23,790	11,894
Prepaid insurance premium	3,256	2,953	2,949
Other matters	14,399	3,894	4,300
	<u>\$ 141,925</u>	<u>\$ 52,226</u>	<u>\$ 175,534</u>

(VIII) Property, plant and equipment

	Land	Buildings and structures	Transportation equipment	Office equipment	Unfinished construction	Total
<u>January 1, 2025</u>						
Cost	\$ 502,621	\$ 174,416	\$ 3,093	\$ 70,093	\$ 1,257	\$ 751,480
Accumulated depreciation	<u>-</u>	<u>(38,212)</u>	<u>(3,093)</u>	<u>(54,284)</u>	<u>-</u>	<u>(95,589)</u>
	<u><u>\$ 502,621</u></u>	<u><u>\$ 136,204</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 15,809</u></u>	<u><u>\$ 1,257</u></u>	<u><u>\$ 655,891</u></u>
<u>2025</u>						
January 1	\$ 502,621	\$ 136,204	\$ -	\$ 15,809	\$ 1,257	\$ 655,891
Increase	51,068	6,162	2,841	887	581	61,539
Transfer – cost	(18,701)	(5,643)	133	1,257	(1,257)	(24,211)
Transfer – accumulated depreciation	<u>-</u>	<u>194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194</u>
Depreciation expense	<u>-</u>	<u>(7,266)</u>	<u>(375)</u>	<u>(7,425)</u>	<u>-</u>	<u>(15,066)</u>
September 30	<u><u>\$ 534,988</u></u>	<u><u>\$ 129,651</u></u>	<u><u>\$ 2,599</u></u>	<u><u>\$ 10,528</u></u>	<u><u>\$ 581</u></u>	<u><u>\$ 678,347</u></u>
<u>September 30, 2025</u>						
Cost	\$ 534,988	\$ 174,935	\$ 6,067	\$ 72,237	\$ 581	\$ 788,808
Accumulated depreciation	<u>-</u>	<u>(45,284)</u>	<u>(3,468)</u>	<u>(61,709)</u>	<u>-</u>	<u>(110,461)</u>
	<u><u>\$ 534,988</u></u>	<u><u>\$ 129,651</u></u>	<u><u>\$ 2,599</u></u>	<u><u>\$ 10,528</u></u>	<u><u>\$ 581</u></u>	<u><u>\$ 678,347</u></u>
	Land	Buildings and structures	Transportation equipment	Office equipment	Unfinished construction	Total
<u>January 1, 2024</u>						
Cost	\$ 424,925	\$ 122,070	\$ 5,131	\$ 69,232	\$ 11,829	\$ 633,187
Accumulated depreciation	<u>-</u>	<u>(28,308)</u>	<u>(5,131)</u>	<u>(45,386)</u>	<u>-</u>	<u>(78,825)</u>
	<u><u>\$ 424,925</u></u>	<u><u>\$ 93,762</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 23,846</u></u>	<u><u>\$ 11,829</u></u>	<u><u>\$ 554,362</u></u>
<u>2024</u>						
January 1	\$ 424,925	\$ 93,762	\$ -	\$ 23,846	\$ 11,829	\$ 554,362
Increase	51,791	25,848	-	3,433	5,973	87,045
Disposal – cost	<u>-</u>	<u>-</u>	<u>(2,038)</u>	<u>(2,526)</u>	<u>-</u>	<u>(4,564)</u>
Disposal – accumulated depreciation	<u>-</u>	<u>-</u>	<u>2,038</u>	<u>732</u>	<u>-</u>	<u>2,770</u>
Transfer – cost	14,955	20,205	-	-	<u>(11,829)</u>	23,331
Transfer – accumulated depreciation	<u>-</u>	<u>(1,622)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,622)</u>
Depreciation expense	<u>-</u>	<u>(5,857)</u>	<u>-</u>	<u>(7,231)</u>	<u>-</u>	<u>(13,088)</u>
September 30	<u><u>\$ 491,671</u></u>	<u><u>\$ 132,336</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,254</u></u>	<u><u>\$ 5,973</u></u>	<u><u>\$ 648,234</u></u>
<u>September 30, 2024</u>						
Cost	\$ 491,671	\$ 168,123	\$ 3,093	\$ 70,139	\$ 5,973	\$ 738,999
Accumulated depreciation	<u>-</u>	<u>(35,787)</u>	<u>(3,093)</u>	<u>(51,885)</u>	<u>-</u>	<u>(90,765)</u>
	<u><u>\$ 491,671</u></u>	<u><u>\$ 132,336</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,254</u></u>	<u><u>\$ 5,973</u></u>	<u><u>\$ 648,234</u></u>

1. The Group did not capitalize any borrowing costs on property, plant and equipment for the periods from January 1 to September 30, 2025 and 2024.
2. The major components of the Group's buildings and structures include buildings and renovation projects, which are depreciated over 55 years, 50 years, 35 years, and 5 years, respectively.
3. For information on collateral with property, plant and equipment, refer to the descriptions in Note 8.
4. From January 1 to September 30, 2025 and 2024, the disposal amounts for office equipment included NT\$0 and NT\$1,698, respectively, which were renovation subsidies received from suppliers.
5. The Group's property, plant and equipment are not assets of operating leases.

(IX) Lease transaction – Lessee

1. The Group's leased assets include department store counters, buildings, and company vehicles, with lease terms ranging from 1 to 11 years. The lease agreements are individually negotiated and contain various terms and conditions. Except for certain leased assets that may not be used as collateral for borrowing, subleased, or loaned to others, no additional restrictions are imposed.
2. The book value of the right-of-use assets and the recognized depreciation expenses are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Book value	Book value	Book value
Building construction	\$ 9,671	\$ 11,267	\$ 11,799
Transportation equipment (company vehicles)	<u>12,191</u>	<u>15,613</u>	<u>17,274</u>
	<u><u>\$ 21,862</u></u>	<u><u>\$ 26,880</u></u>	<u><u>\$ 29,073</u></u>

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
	Depreciation expense	Depreciation expense
Building construction	\$ 532	\$ 532
Transportation equipment (company vehicles)	<u>1,536</u>	<u>1,696</u>
	<u><u>\$ 2,068</u></u>	<u><u>\$ 2,228</u></u>

	From January 1 to September 30, 2025	From January 1 to September 30, 2024
	Depreciation expense	Depreciation expense
Building construction	\$ 1,596	\$ 1,596
Transportation equipment (company vehicles)	<u>4,607</u>	<u>5,083</u>
	<u><u>\$ 6,203</u></u>	<u><u>\$ 6,679</u></u>

3. The increase in the Group's right-of-use assets for the periods for January 1 to September 30, 2025 and 2024 were NT\$1,185 and NT\$556, respectively.

4. Items related to the lease contract's profit and loss are as follows:

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
<u>Items affecting the current profit or loss</u>		
Interest expense on lease liabilities	\$ 100	\$ 127
Expenses of short-term lease contracts	267	616
Expenses on variable lease payments	59,712	54,407
 <u>From January 1 to September 30, 2025</u> <u>From January 1 to September 30, 2024</u>		
<u>Items affecting the current profit or loss</u>		
Interest expense on lease liabilities	\$ 316	\$ 398
Expenses of short-term lease contracts	1,250	1,140
Expenses on variable lease payments	195,732	176,826

5. The Group's total cash outflows from leases for January 1 to September 30, 2025 and 2024 were NT\$203,471 and NT\$184,945, respectively.

6. Impact of variable lease payments on lease liabilities

- (1) The underlying subject of variable lease payments in the Group's lease contract is linked to the sales amount of various products in the special counters of each department store. For department store concession-type lease arrangements, payments are primarily based on variable pricing conditions, predominantly linked to the sales volume of various product categories. Variable lease payments related to changes in the sales amount of various products are recognized as expenses when the payment terms are triggered.
- (2) When sales of various products at department store counters within the Group increase by 1%, variable lease payment expenses will rise in accordance with the commission rates for each product category. This is expected to increase total lease payments by approximately NT\$1,957, NT\$2,748, and NT\$1,768 as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.

7. Information on lease liabilities as of September 30, 2025, December 31, 2024, and September 30, 2024 is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current lease liabilities	\$ 7,339	\$ 8,090	\$ 8,279
Non-current lease liabilities	<u>15,174</u>	<u>19,411</u>	<u>21,395</u>
	<u><u>\$ 22,513</u></u>	<u><u>\$ 27,501</u></u>	<u><u>\$ 29,674</u></u>

(X)Investment property

	Land	Buildings and structures	Total
<u>January 1, 2025</u>			
Cost	\$ 33,959	\$ 24,961	\$ 58,920
Accumulated depreciation	<u>-</u>	<u>(6,894)</u>	<u>(6,894)</u>
	<u>\$ 33,959</u>	<u>\$ 18,067</u>	<u>\$ 52,026</u>
<u>2025</u>			
January 1	\$ 33,959	\$ 18,067	\$ 52,026
Transfer	18,701	5,449	24,150
Depreciation expense	<u>-</u>	<u>(596)</u>	<u>(596)</u>
September 30	<u>\$ 52,660</u>	<u>\$ 22,920</u>	<u>\$ 75,580</u>
<u>September 30, 2025</u>			
Cost	\$ 52,660	\$ 30,604	\$ 83,264
Accumulated depreciation	<u>-</u>	<u>(7,684)</u>	<u>(7,684)</u>
	<u>\$ 52,660</u>	<u>\$ 22,920</u>	<u>\$ 75,580</u>

	Land	Buildings and structures	Total
<u>January 1, 2024</u>			
Cost	\$ 39,414	\$ 30,611	\$ 70,025
Accumulated depreciation	<u>-</u>	<u>(7,765)</u>	<u>(7,765)</u>
	<u>\$ 39,414</u>	<u>\$ 22,846</u>	<u>\$ 62,260</u>
<u>2024</u>			
January 1	\$ 39,414	\$ 22,846	\$ 62,260
Transfer	(5,455)	(4,027)	(9,482)
Depreciation expense	<u>-</u>	<u>(581)</u>	<u>(581)</u>
September 30	<u>\$ 33,959</u>	<u>\$ 18,238</u>	<u>\$ 52,197</u>
<u>September 30, 2024</u>			
Cost	\$ 33,959	\$ 24,961	\$ 58,920
Accumulated depreciation	<u>-</u>	<u>(6,723)</u>	<u>(6,723)</u>
	<u>\$ 33,959</u>	<u>\$ 18,238</u>	<u>\$ 52,197</u>

1. Rental income and direct operating expenses of investment property:

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Rental income from investment property	<u>\$ 924</u>	<u>\$ 662</u>
Direct operating expenses incurred for investment properties generating rental income of the current period	<u>\$ 195</u>	<u>\$ 120</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Rental income from investment property	<u>\$ 2,484</u>	<u>\$ 2,219</u>
Direct operating expenses incurred for investment properties generating rental income of the current period	<u>\$ 990</u>	<u>\$ 875</u>

2. For information on collateral with investment property, refer to the descriptions in Note 8.

3. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group held investment properties that generate rental income with fair values of NT\$166,306, NT\$120,545, and NT\$132,587, respectively. The above fair values were primarily assessed based on the market transaction prices of similar properties in neighboring areas and other methods. The valuation was conducted using the income approach and represents a Level 2 fair value.

(XI) Intangible assets

1. The changes in the cost of computer software are as follows:

	2025	2024
<u>January 1</u>		
Cost	\$ 26,713	\$ 26,083
Accumulated amortization	<u>(11,636)</u>	<u>(8,372)</u>
	<u>\$ 15,077</u>	<u>\$ 17,711</u>
	2025	2024
January 1	\$ 15,077	\$ 17,711
Increase	673	-
Amortization expense	<u>(2,552)</u>	<u>(2,432)</u>
September 30	<u>\$ 13,198</u>	<u>\$ 15,279</u>
<u>September 30</u>		
Cost	\$ 27,386	\$ 26,083
Accumulated amortization	<u>(14,188)</u>	<u>(10,804)</u>
	<u>\$ 13,198</u>	<u>\$ 15,279</u>

2. The amortization expense of intangible assets is recognized under the account of management expenses.

3. The Group did not capitalize any borrowing costs for intangible assets for the nine months ended September 30, 2025 and 2024.

(XII) Short-term borrowings

Nature of the loan	September 30, 2025	December 31, 2024	September 30, 2024
Credit borrowings	\$ 345,000	\$ 315,000	\$ 190,000
Secured borrowings	<u>510,000</u>	<u>220,000</u>	<u>535,000</u>
	<u>\$ 855,000</u>	<u>\$ 535,000</u>	<u>\$ 725,000</u>
Interest rate range	<u>2.04%~2.15%</u>	<u>1.92%~2.28%</u>	<u>1.92%~2.24%</u>

(XIII) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Bonus payable	\$ 55,315	\$ 57,880	\$ 46,454
Wages and salaries payable	17,280	15,626	15,144
Employee remuneration payable	6,662	16,641	5,500
Other matters	<u>55,726</u>	<u>81,855</u>	<u>46,877</u>
	<u>\$ 134,983</u>	<u>\$ 172,002</u>	<u>\$ 113,975</u>

(XIV) Pension

- 1.(1) The Group has established a defined benefit retirement plan in accordance with the provisions of the “Labor Standards Act.” This plan applies to the years of service accrued by all full-time employees prior to the implementation of the “Labor Pension Act” on July 1, 2005, as well as the subsequent years of service for employees who have chosen to continue under the Labor Standards Act after the implementation of the Labor Pension Act. For employees who meet retirement conditions, retirement benefits are calculated based on years of service and the average salary during the six months preceding retirement. Specifically, for service years up to and including 15 years, employees receive two salary units for each completed year of service. For service years exceeding 15 years, employees receive one salary unit for each completed year of service. The cumulative retirement benefit is capped at a maximum of 45 salary units. The Group contributes 2% of the total salary to the pension fund every month and deposits the fund in a special account with the Bank of Taiwan in the name of the Labor Pension Reserve Supervisory Committee. Prior to the end of each fiscal year, the Group estimates the balance of the labor retirement reserve fund. If the fund balance is insufficient to cover the estimated retirement benefits for employees expected to meet retirement conditions in the following year (calculated according to the previous method), the Group will make a supplementary contribution to cover the shortfall by the end of March in the subsequent year.
- (2) The Group has allocated NT\$208 to the pension plan in 2026.
- (3) For the three months ended September 30, 2025 and 2024, for the nine months ended September 30, 2025 and 2024, the Group recognized pension costs of NT\$28 and NT\$43, NT\$84, and NT\$129, respectively, under the aforementioned pension plans.
- 2.(1) Effective July 1, 2005, the Group has established a defined contribution retirement plan in accordance with the “Labor Pension Act,” which is applicable to employees of local nationality. For the portion of employees who choose to participate in the labor pension system as defined by the “Labor Pension Act,” the Group contributes 6% of each employee’s monthly salary to individual accounts at the Labor Insurance

Bureau. Employee retirement benefits will be paid out either as monthly pension payments or a lump sum, based on the balance of the individual's retirement account and accumulated earnings.

(2) For the three months ended September 30, 2025 and 2024, for the six months ended September 30, 2025 and 2024, the Group recognized pension costs of NT\$4,663, NT\$3,847, NT\$13,959, and NT\$11,587 respectively, under the aforementioned pension plans.

(XV) Share capital

1. As of September 30, 2025, the Company's authorized capital is NT\$600,000, divided into 60,000 thousand shares (including 1,800 thousand shares reserved for employee share options), with a paid-in capital of NT\$435,420. The par value is NT\$10 per share. The payment for the issued shares of the Company has been collected.
2. The outstanding shares at the beginning and ending of the period of the common shares of the Company are adjusted as follows: (Unit: thousand shares)

	2025	2024
January 1	39,584	39,584
Conversion of earnings to capital increase	3,958	-
September 30	<u>43,542</u>	<u>39,584</u>

3. On June 19, 2025, the Company's shareholders resolved to increase capital by issuing 3,958,000 new shares at a par value of NT\$10 per share, funded by undistributed earnings of NT\$39,584. This capital increase was approved and became effective upon filing with the Financial Supervisory Commission on July 3, 2025. The Board of Directors resolved on July 9, 2025, to set July 30, 2025, as the capital increase record date; the capital increase has been completed.

(XVI) Capital surplus

Pursuant to the Company Act, capital surplus derived from the premium on share issuance and donations received may be used to offset losses. When the Company has no accumulated losses, such reserves shall be distributed to shareholders as new shares or cash in proportion to their existing shareholdings. In accordance with the relevant provisions of the Securities and Exchange Act, the above-mentioned capital surplus is limited to 10% of the paid-in capital annually. The Company shall not make up for the capital loss with the additional paid-in capital unless the additional paid-in capital is insufficient to make up for the capital loss.

	2025			
	Premium from issuance	Stock options	Other matters	Total
January 1 (and September 30)	<u>\$ 120,100</u>	<u>\$ -</u>	<u>\$ 16,038</u>	<u>\$ 136,138</u>
2024				
January 1 (and September 30)	<u>\$ 120,100</u>	<u>\$ -</u>	<u>\$ 16,038</u>	<u>\$ 136,138</u>

(XVII) Retained earnings

1. The Company shall distribute surplus or make up for losses at the end of each fiscal year. When distributing earnings, the Company shall estimate and retain the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. However, this does not apply if the legal reserve has reached the same amount as paid-in capital. If the earnings are distributed in cash, a resolution shall be adopted by the Board of Directors; if the earnings are distributed in the form of new shares, a resolution shall be adopted by the shareholders' meeting in accordance with the regulations.

The Company's Board of Directors may resolve to distribute dividends, bonuses, capital surplus, or legal reserves, in whole or in part, through cash distribution, subject to the approval of more than two-thirds of the directors and a majority vote of the attending directors. Such resolution shall be reported to the shareholders' meeting and is exempt from the requirement of shareholders' meeting approval.

The Company's dividend policy is formulated by comprehensively considering future capital requirements, industry competitive conditions, financial structure, and earnings performance. As the Group is currently in a stable growth phase, it is necessary to retain earnings to meet operational and investment funding needs. Consequently, the Company is implementing a residual dividend policy. The annual distribution of shareholder dividends and bonuses shall not be less than 10% of the distributable earnings for the current year, with cash dividends accounting for no less than 20% of the total dividend distribution for that year.

2. The legal reserve may only be used to offset the Company's losses or to issue new shares or cash to shareholders in proportion to their existing shareholdings, and is otherwise restricted from use. However, the issuance of new shares or cash is limited to the portion of such reserve that exceeds 25% of the paid-in capital.
3. The cash dividends and stock dividends recognized as distributions to owners in 2025 totaled NT\$79,167 (NT\$2 per share) and NT\$39,584 (NT\$1 per share), respectively, for a total of NT\$118,751; the cash dividends and stock dividends recognized as distributions to owners in 2024 totaled NT\$79,167 (NT\$2 per share).

(XVIII) Operating revenue

The Group's operating revenue is from customer contracts. The revenue can be divided into the following major products:

1. Segmenting revenue from customer contracts

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Audio-video appliances	\$ 1,096,108	\$ 985,199
Other matters	<u>16,162</u>	<u>11,335</u>
	<u>\$ 1,112,270</u>	<u>\$ 996,534</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Audio-video appliances	\$ 3,424,181	\$ 3,035,198
Other matters	<u>38,704</u>	<u>31,722</u>
	<u>\$ 3,462,885</u>	<u>\$ 3,066,920</u>

2. Contract liabilities

(1) Contract liabilities related to customer contract income recognized by the Group are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities:				
Advance sales receipts	\$ 672,603	\$ 988,347	\$ 657,201	\$ 827,211
Customer loyalty plan	3,913	3,617	3,193	2,543
	<u>\$ 676,516</u>	<u>\$ 991,964</u>	<u>\$ 660,394</u>	<u>\$ 829,754</u>

(2) Recognize income of contract liabilities at the beginning of the period

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Revenue recognized from contract liability balance included in equity at beginning of period	<u>\$ 109,534</u>	<u>\$ 97,461</u>
Revenue recognized from contract liability balance included in equity at beginning of period	<u>\$ 879,333</u>	<u>\$ 721,335</u>

(XIX) Interest income

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Bank deposit interest	\$ 52	\$ 54
Other interest income	2	6
	<u>\$ 54</u>	<u>\$ 60</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Bank deposit interest	\$ 727	\$ 612
Other interest income	7	7
	<u>\$ 734</u>	<u>\$ 619</u>

(XX) Other income

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Rent income	\$ 937	\$ 675
Other income, others	702	473
	<u>\$ 1,639</u>	<u>\$ 1,148</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Rent income	\$ 2,529	\$ 2,236
Other income, others	3,707	2,863
	<u>\$ 6,236</u>	<u>\$ 5,099</u>

(XXI) Other gains and losses

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Net loss from disposal of property, plant and equipment	\$ -	(\$ 28)
Depreciation expense on investment property	(232)	(188)
Foreign exchange losses	(2)	(83)
Net gains on financial assets and liabilities measured at fair value through profit or loss	<u>-</u>	<u>175</u>
	<u>(\$ 234)</u>	<u>(\$ 124)</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Net loss from disposal of property, plant and equipment	\$ -	(\$ 57)
Depreciation expense on investment property	(596)	(581)
Foreign exchange losses	(20)	(80)
Net gains on financial assets and liabilities measured at fair value through profit or loss	<u>95</u>	<u>28</u>
	<u>(\$ 521)</u>	<u>(\$ 690)</u>

(XXII) Financial costs

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Interest expense:		
Bank borrowings	\$ 2,828	\$ 1,935
Lease liabilities	<u>100</u>	<u>127</u>
	<u>\$ 2,928</u>	<u>\$ 2,062</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Interest expense:		
Bank borrowings	\$ 7,320	\$ 5,695
Lease liabilities	<u>316</u>	<u>398</u>
	<u>\$ 7,636</u>	<u>\$ 6,093</u>

(XXIII) Additional information on the nature of expenses

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Employee benefit expenses	<u>\$ 98,572</u>	<u>\$ 90,521</u>
Depreciation expense on property, plant and equipment	<u>\$ 4,971</u>	<u>\$ 4,540</u>
Depreciation expense on right-of-use assets	<u>\$ 2,068</u>	<u>\$ 2,228</u>
Amortization expense of intangible assets	<u>\$ 868</u>	<u>\$ 811</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Employee benefit expenses	<u>\$ 291,876</u>	<u>\$ 286,112</u>
Depreciation expense on property, plant and equipment	<u>\$ 15,066</u>	<u>\$ 13,088</u>
Depreciation expense on right-of-use assets	<u>\$ 6,203</u>	<u>\$ 6,679</u>
Amortization expense of intangible assets	<u>\$ 2,552</u>	<u>\$ 2,432</u>

(XXIV) Employee benefit expenses

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Salaries and wages	\$ 80,555	\$ 75,161
Labor, health and insurance expenses	9,499	7,937
Pension expense	4,691	3,890
Other personnel expenses	3,827	3,533
	<u>\$ 98,572</u>	<u>\$ 90,521</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Salaries and wages	\$ 237,417	\$ 239,493
Labor, health and insurance expenses	28,520	24,104
Pension expense	14,043	11,716
Other personnel expenses	11,896	10,799
	<u>\$ 291,876</u>	<u>\$ 286,112</u>

1. According to the Company's Articles of Incorporation, if the Company generates a profit in a year, no less than 5% of the profit shall be allocated as remuneration to employees, with at least 30% of that allocation designated for rank-and-file employees. If there is profit in the year, no more than 1.5% of the profit shall be distributed as remuneration to directors. However, the Company shall first make up for any cumulative losses if any. The remuneration to employees may be paid in the form of stock or cash, and the recipients of stock or cash may include the employees of the subsidiaries of the Company meeting certain specific requirements.
2. The estimated amounts of the Company's remuneration to employees for the three months ended September 30, 2025, and 2024, and for the nine months ended September 30, 2025, and 2024 were NT\$1,365 NT\$1,516, NT\$5,654, and NT\$4,915, respectively. The estimated amounts of remuneration for directors were all NT\$0. The aforementioned amounts were recognized as salary expenses.

For the nine months ended September 30, 2025 and 2024, the estimates were based on profit conditions up to the current period, calculated according to the percentages stipulated in the Company's Articles of Incorporation.

The Board of Directors resolved to distribute employee remuneration and directors' remuneration for 2024 in the amounts of NT\$14,931 and NT\$2,886, respectively, which were consistent with the amounts recognized in the 2024 financial statements. The employee remuneration will be distributed in cash.

The information on remuneration to employees and directors approved by the Board of Directors of the Company can be found on the MOPS.

(XXV) Income tax

1. Tax expense

(1) Components of tax expenses:

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Tax of the current period		
Tax generated from current income	\$ 4,574	\$ 6,095
The original generation and reversal of temporary difference	<u>33</u>	(322)
Tax expense	<u><u>\$ 4,607</u></u>	<u><u>\$ 5,773</u></u>
<hr/>		
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Tax of the current period		
Tax generated from current income	\$ 20,852	\$ 18,904
Additional tax levied on the unappropriated retained earnings	1,093	926
Over-estimated income tax in previous years	(1,039)	(36)
Total tax of the current period	<u>20,906</u>	<u>19,794</u>
Deferred income tax		
The original generation and reversal of temporary difference	(337)	(1,182)
Tax expense	<u><u>\$ 20,569</u></u>	<u><u>\$ 18,612</u></u>

2. The Company's profit-seeking enterprise income tax has been approved by the tax authorities up to 2023.

(XXVI) Earnings per share

	From July 1 to September 30, 2025		
	Amount after tax	Weighted average shares outstanding, thousand shares	Earnings per share (NT\$) after tax
Basic earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 24,449	43,542	\$ 0.56
Diluted earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 24,449	43,542	
Impact of potential diluted ordinary shares			
Employee remuneration	—	31	
Profit attributable to parent company's common shareholders plus effects of potential common shares	\$ 24,449	43,573	\$ 0.56
	From July 1 to September 30, 2024		
	Amount after tax	Weighted average shares outstanding, thousand shares	Earnings per share (NT\$) after tax
Basic earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 23,414	43,542	\$ 0.54
Diluted earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 23,414	43,542	
Impact of potential diluted ordinary shares			
Employee remuneration	—	43	
Profit attributable to parent company's common shareholders plus effects of potential common shares	\$ 23,414	43,585	\$ 0.54
	From January 1 to September 30, 2025		
	Amount after tax	Weighted average shares outstanding, thousand shares	Earnings per share (NT\$) after tax
Basic earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 88,131	43,542	\$ 2.02
Diluted earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 88,131	43,542	
Impact of potential diluted ordinary shares			
Employee remuneration	—	221	
Profit attributable to parent company's common shareholders plus effects of potential common shares	\$ 88,131	43,763	\$ 2.01

	From January 1 to September 30, 2024		
	Amount after tax	Weighted average shares outstanding, thousand shares	Earnings per share (NT\$) after tax
Basic earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 71,250	43,542	\$ 1.64
Diluted earnings per share			
Profit attributable to the common shareholders of the parent company	\$ 71,250	43,542	
Impact of potential diluted ordinary shares			
Employee remuneration	\$ -	224	
Profit attributable to parent company's common shareholders plus effects of potential common shares	\$ 71,250	43,766	\$ 1.63

(XXVII) Supplementary information on cash flow

Investment activities that do not affect cash flow:

	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Investment property reclassified to property, plant and equipment	\$ -	\$ 9,482
Other non-current assets transferred to property, plant and equipment	\$ -	\$ 12,227
Prepaid equipment reclassified as property, plant and equipment	\$ 133	\$ -
Property, plant and equipment transferred to investment property	\$ 24,150	\$ -

(XXVIII) Changes in liabilities from financing activities

	January 1, 2025	Changes in cash flows from financing activities	Changes in other non-cash	September 30, 2025
Short-term borrowings	\$ 535,000	\$ 320,000	\$ -	\$ 855,000
Lease liabilities (Note)	27,501	(6,173)	1,185	22,513
Guarantee deposits received	3,072	86	-	3,158
Total liabilities from financing activities	\$ 565,573	\$ 313,913	\$ 1,185	\$ 880,671
	January 1, 2024	Changes in cash flows from financing activities	Changes in other non-cash	September 30, 2024
Short-term borrowings	\$ 588,000	\$ 137,000	\$ -	\$ 725,000
Lease liabilities (Note)	35,698	(6,580)	556	29,674
Guarantee deposits received	2,503	568	-	3,071
Total liabilities from financing activities	\$ 626,201	\$ 130,988	\$ 556	\$ 757,745

Note: Other non-cash changes are the addition of right-of-use assets.

VII. Transactions with related parties

Information on remuneration to key management personnel

	From July 1 to September 30, 2025	From July 1 to September 30, 2024
Salaries and other short-term employee benefits	\$ 1,830	\$ 1,983
Post-employment benefits	77	67
	<u>\$ 1,907</u>	<u>\$ 2,050</u>
	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Salaries and other short-term employee benefits	\$ 5,130	\$ 5,950
Post-employment benefits	213	185
	<u>\$ 5,343</u>	<u>\$ 6,135</u>

VIII. Pledge assets

The details of the collateral with the Group's assets are as follows:

Information, production, and evaluation	Book value			For guarantee and bond
	September 30, 2025	December 31, 2024	September 30, 2024	
Land	\$ 524,038	\$ 491,671	\$ 408,947	Guarantee for payment of purchase contract, short- term loan guarantee and limit,
Buildings and structures	126,780	132,544	97,405	Guarantee for payment of purchase contract, short- term loan guarantee and limit,
Investment property	75,580	52,026	52,197	Guarantee for payment of purchase contract, short- term loan guarantee and limit,
Time deposits (Note)	9,344	16,344	15,344	Performance bond for purchase
	<u>\$ 735,742</u>	<u>\$ 692,585</u>	<u>\$ 573,893</u>	

Note: Listed as "Current financial assets at amortized cost."

IX. Major contingent liabilities and unrecognized contractual commitments

(I) Contingent matters

None.

(II) Commitment

- As of September 30, 2025, December 31, 2024 and September 30, 2024, the guaranteed notes issued by the Group to the bank loans were worth NT\$1,888,400, NT\$2,075,400 and NT\$2,075,400, respectively.
- As of September 30, 2025, December 31, 2024 and September 30, 2024, the amount of guarantee notes issued by the Group for the purchase from suppliers was NT\$14,886, NT\$28,244 and NT\$19,852, respectively.
- The amount of guarantee issued by the bank by the Group is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Letter of guarantee for purchase of goods	\$ 14,500	\$ 34,500	\$ 29,500

4. Capital expenditure that has been signed but has not yet occurred is as follows:

	From January 1 to September 30, 2025	From January 1 to September 30, 2024
Property, plant and equipment	\$ 49,000	\$ 2,833

X. Losses from major disasters

None.

XI. Significant events after reporting period

None.

XII. Other matters

(I) Capital Management

There were no significant changes during the period. Please refer to Note 12 to the consolidated financial statements for the year ended December 31, 2024.

(II) Financial instruments

1. Type of financial instrument

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets			
Cash and cash equivalents	\$ 304,853	\$ 314,384	\$ 226,200
Financial assets at fair value through profit or loss	-	3,202	3,290
Current financial assets at amortized cost	9,344	16,344	15,344
Notes receivable	127	5,448	27
Accounts receivable	522,314	791,119	475,789
Other receivables	224,464	295,827	207,801
Guarantee deposits paid	702	878	908
	<u>\$ 1,061,804</u>	<u>\$ 1,427,202</u>	<u>\$ 929,359</u>
September 30, 2025	December 31, 2024	September 30, 2024	
Financial liabilities			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 855,000	\$ 535,000	\$ 725,000
Notes payable	5,092	10,072	4,878
Accounts payable	474,928	563,091	381,185
Other payables	134,983	172,002	113,975
Long-term notes and accounts payable	10,500	13,650	13,901
Guarantee deposits received	3,158	3,072	3,071
	<u>\$ 1,483,661</u>	<u>\$ 1,296,887</u>	<u>\$ 1,242,010</u>
Lease liabilities	<u>\$ 22,513</u>	<u>\$ 27,501</u>	<u>\$ 29,674</u>

2. Risk management policy

There were no significant changes during the period. Please refer to Note 12 to the consolidated financial statements for the year ended December 31, 2024.

3. The nature and severity of significant financial risks

(1) Market risk

Exchange rate risk

The business activities of the Group do not involve significant non-functional currencies, so there is no significant impact of exchange rate fluctuations.

Price risk

The Group does not have any exposure to the price risk of products.

Cash flow and interest rate risk on fair value

- A. The interest rate risk of the Group comes from short-term borrowings. The interest rate risk of cash flow is borne by the Group due to the borrowings issued at floating interest rates. The cash and cash equivalents held at floating interest rates partially offset the risk. For the nine months ended September 30, 2025 and 2024, the Group's borrowings calculated based on floating interest rates were denominated in NT\$.
- B. For the nine months ended September 30, 2025 and 2024, if the interest rate of borrowings increased or decreased by 0.25%, with all other factors remaining constant, the net profit after tax for the nine months ended September 30, 2025 and 2024, would decrease or increase by NT\$1,283 and NT\$1,088, respectively, mainly due to the increase/decrease in interest expense caused by the floating interest rate borrowings.

(2) Credit risk

- A. The Group's credit risk is the risk of financial loss resulting from customers or counterparties to financial instruments failing to fulfill their contractual obligations. This risk primarily arises from counterparties' inability to settle accounts receivable, other receivables according to payment terms, and contractual cash flows from debt instrument investments classified as measured at amortized cost.
- B. The credit risk of bank deposits and other financial instruments is measured and monitored by the Group's Finance Department. Since the Group's banks and investors are mainly banks with good credit ratings or financial institutions with investment grade or above, there is no significant performance concern, so there is no significant credit risk. The group's accounts receivable are primarily from well-known domestic department stores and renowned e-commerce service platforms. The possibility of credit risk occurring is extremely low, with the maximum credit risk being their carrying value.
- C. The Group adopts the premise assumption of IFRS 9. When the contract amount is overdue for more than 90 days under the agreed payment terms, it is deemed a breach of contract.
- D. The Group classifies the accounts receivable of customers according to the customer rating, and estimates the expected credit loss based on the loss rate.
- E. After the Group has pursued the recourse, the amount of the recoverable financial assets that cannot be reasonably expected to be recovered is written off. However,

the Group will continue to pursue the legal procedure of recourse to protect the rights and interests of the creditors. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group had no write-offs and still had a claim to the debt.

F. The Group uses a simplified approach based on the loss rate method to estimate expected credit losses for accounts receivable. When estimating the loss allowance as of September 30, 2025, December 31, 2024, and September 30, 2024, the Group, in addition to recording impairment losses for individual customers who have actually experienced credit impairment, refers to historical experience and considers customers' financial conditions. The expected loss rates established for non-overdue receivables are 0.01%; for those overdue by 1–30 days, 5%; for those overdue by 31–90 days, 15%; and for those overdue by 91 days or more, 100%.

G. The simplified statement of changes in the loss allowance of accounts receivable is as follows:

	2025	
	Accounts receivable	Other receivables
January 1	\$ 1,726	\$ 493
Impairment loss recognition	-	80
Reversal of impairment loss	(18)	-
September 30	<u>\$ 1,708</u>	<u>\$ 573</u>

	2024	
	Accounts receivable	Other receivables
January 1	\$ 1,785	\$ -
Impairment loss recognition	-	210
Reversal of impairment loss	(82)	-
September 30	<u>\$ 1,703</u>	<u>\$ 210</u>

H. The expected credit loss of the financial assets measured at amortized cost used by the Group to determine the accounts receivable is as follows:

At each balance sheet date, for financial assets measured at amortized cost, after considering all reasonable and supportable information (including forward-looking information), for those whose credit risk has not significantly increased since initial recognition, the loss allowance is measured based on the 12-month expected credit loss amount; for those whose credit risk has significantly increased since initial recognition, the loss allowance is measured based on the lifetime expected credit loss amount. If the counterparty's financial condition is not sound or the payment term is overdue for more than a certain period of time under the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the initial recognition.

(3) Liquidity risk

A. The cash flow forecast is executed by each operating entity within the Group, and is compiled by the Group's Finance Department. The Group's finance department monitors forecasts of the Group's liquidity requirements to ensure it has sufficient funds to meet operational needs and maintains an adequate unused borrowing commitment at all times. These forecasts consider the Group's debt financing plans, compliance with debt terms, and the achievement of financial ratio targets for the

internal balance sheet.

B. When the Group has cash remaining beyond what is required for operational capital management, the finance department invests these surplus funds in interest-bearing demand deposits, time deposits, and securities. The instruments selected have appropriate maturity dates or sufficient liquidity to accommodate the forecasts mentioned above and provide adequate flexibility for adjustments. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group held monetary market positions of NT\$295,884, NT\$307, 397 and NT\$198,237, respectively, which are expected to generate immediate cash flow to manage liquidity risk.

C. The Group's unused credit facilities are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fixed interest rate			
Due within one year	<u>\$ 2,345,200</u>	<u>\$ 1,567,200</u>	<u>\$ 1,377,200</u>

D. The following table shows the non-derivative financial liabilities of the Group, grouped by their maturity dates. The non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract's maturity date. The contract cash flow disclosed in the following table are not discounted.

September 30, 2025

Non-derivative financial

liabilities:

	Within 1 year	1 to 2 years	More than 2 years
Short-term borrowings	\$ 856,281	\$ -	\$ -
Notes payable	5,092	-	-
Accounts payable	474,928	-	-
Other payables	134,983	-	-
Lease liabilities	7,679	5,745	10,136
Long-term notes and accounts payable	-	1,913	8,587

Derivative financial liabilities:

None

December 31, 2024

Non-derivative financial

liabilities:

	Within 1 year	1 to 2 years	More than 2 years
Short-term borrowings	\$ 540,215	\$ -	\$ -
Notes payable	10,072	-	-
Accounts payable	563,091	-	-
Other payables	172,002	-	-
Lease liabilities	8,488	6,821	13,457
Long-term notes and accounts payable	-	-	13,650

Derivative financial liabilities:

None

September 30, 2024

Non-derivative financial

liabilities:

	Within 1 year	1 to 2 years	More than 2 years
Short-term borrowings	\$ 735,007	\$ -	\$ -
Notes payable	4,878	-	-
Accounts payable	381,185	-	-
Other payables	113,975	-	-
Lease liabilities	8,707	7,422	14,928
Long-term notes and accounts payable	-	-	13,901

Derivative financial liabilities:

None

The Group does not expect the cash flow analysis on the maturity date to occur significantly ahead of the schedule or the actual amount to be significantly different.

(III) Information on fair value

1. The evaluation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: The quoted price (unadjusted) of the same assets or liabilities in the active market on the measurement date. An active market is a market where there are frequent and large volume asset or liability transactions to provide information on pricing on a continuous basis. The fair value of the financial bonds invested by the Group belongs to this level.

Level 2: Inputs that are observable, except quoted prices included in Level 1.

Level 3: The input value of assets or liabilities is unobservable.

2. For the fair value of investment property measured at cost, please refer to the descriptions in Note 6, (10).

3. (1) For financial instruments measured at fair value, the Group classifies them according to the nature of the assets. The relevant information is as follows:

September 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial assets at fair value through profit or loss				
Debt securities	\$ -	\$ -	\$ -	\$ -
December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial assets at fair value through profit or loss				
Debt securities	\$ 3,202	\$ -	\$ -	\$ 3,202
September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
Repetitive fair value				
Financial assets at fair value through profit or loss				
Debt securities	\$ 3,290	\$ -	\$ -	\$ 3,290

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

If the Group adopts market quotation as the input value of fair value (i.e. Level 1), the characteristics of the instrument are as follows:

Market quotation	Government bonds
	Net worth

4. There were no transfers between Level 1 and Level 2 from January 1 to September 30, 2025 and 2024

5. No transfer or transfer from Level 9 from January 1 to September 30, 2025 and 2024.
6. Regarding the fair value categorized as Level 3, the Group's valuation process is conducted by the accounting department, which is responsible for performing an independent fair value verification of financial instruments. This verification uses independent data sources to align valuation results with market conditions, confirms that the data sources are independent, reliable, consistent with other resources, and represent executable prices. The department regularly calibrates valuation models, conducts back-testing, updates the inputs and data required for those models, and makes any necessary fair value adjustments to ensure that the valuation results are reasonable.

XIII. Note to disclosure items

(I) Information on significant transactions

1. Loaning of funds to others: Please refer to Table 1.
2. Endorsements/guarantees for others: Please refer to Table 2.
3. Holding of significant securities at the end of the period(excluding investment in subsidiaries, associates, and joint ventures): None.
4. The purchase or sale with related parties for an amount over NT\$100 million or 20% of the paid-in capital: Please refer to Table 3.
5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Attachment 4.
6. Business relationships and significant transactions between the parent companies: Please refer to Table 5.

(II) Information on investees

The name and location of the investee company and other relevant information (excluding investee companies in China): Please refer to Table 6.

(III) Information on investment in China

1. Basic information: None.
2. Major transactions with investees in China directly or indirectly through a third regional enterprise: None.

XIV. Department information

(I) General information

The Group engages in a single industry and evaluates performance and allocates resources based on its overall performance. The Group is identified as a single reportable segment.

(II) Measurement of information of departments

The profit and loss of the Group's operating department is based on the profit (loss) from continuing operations before taxes the basis for evaluating the performance.

(III) Information on profit and loss, assets and liabilities of the department

The information and notes to the reportable segments provided to the key operating decision-maker are consistent with the basis of preparation described in Note 5 to the accounting policies.

(IV) Information on adjustment to the profit and loss of the department, assets and liabilities

The revenue reported to the major operating decision-maker is consistent with the revenue in the income statement. The total assets and liabilities provided to the key operating decision-maker are consistent with the assets and liabilities in the Group's financial statements.

GSeven Co., Ltd.
Loaning of funds to others
From January 1 to September 30, 2025

Table 1

Unit: NT\$ Thousand
(unless otherwise specified)

No. (Note 1)	Companies that lend funds	Borrower	Transaction items	Related party status	Highest balance of the current period (Note 2)	Equity at end of period	Amount used in practice	Interest rate range	Nature of the loan	Amount of business transactions	Reasons for the need for short-term financing	Amount of loss allowance	Collaterals		Limit of financing to individual borrowers (Note 3)	Total limit of loans (Note 4)	Note
													Name	Value			
0	GSeven Co., Ltd.	GShare Co., Ltd.	Other receivables – related parties	Yes	\$ 350,000	\$ 350,000	\$ 50,000	2.00%	Business transactions	\$ 486,058	Business transactions	\$ -	\$ -	\$ 414,485	\$ 414,485		

Note 1: The description of the number column is as follows:

- (1) The issuer fills in “0”.
- (2) The investee is numbered in sequential order starting from 1 according to the company.

Note 2: The maximum balance of the loan to others in the current year.

Note 3: The limit of financing to each borrower is 40% of the net value of the Company in the latest financial statement, in accordance with the Company's Operating Procedures for Loaning Funds to Others.

Note 4: According to the Company's procedures for lending funds to others, loans to companies or firms with which the Company has business relations are limited individually to amounts not exceeding the business transaction amounts between the two parties, and the total lending amount is limited to not more than 40% of the Company's current net worth. “Business transactions” as used herein mean the purchase or sale between the two companies in the most recent year, whichever is higher.

“Business transactions” as used herein mean the purchase or sale between the two companies in the most recent year, whichever is higher.

GSeven Co., Ltd.
Endorsements/Guarantees for others
From January 1 to September 30, 2025

Table 2

Unit: NT\$ Thousand
(unless otherwise specified)

No. (Note 1)	Counterparty of endorsements/ guarantees		Endorsement and guarantee				The ratio of the accumulated endorsement and guarantee		Endorsements/ guarantees from subsidiary to parent company (Note 7)	Endorsements and guarantees in China (Note 7)	Note		
	Name of the endorsing/ guaranteeing company	Company name	Affiliation (Note 2)	Limit of endorsements/ guarantees for a single enterprise (Note 3)	Highest endorsement/ guarantee balance (Note 4)	balance at the end of the period (Note 5)	Amounts actually used (Note 6)	Amount of property pledged for endorsements/ guarantees	The maximum amount of endorsements/ guarantees net value of the most recent financial statements (Note 3)				
0	GSeven Co., Ltd.	GShare Co., Ltd.	2	\$ 518,106	\$ 450,200	\$ 450,200	\$ 43,700	\$ -	0.43	\$ 518,106	Y	N	N

Note 1: The description of the number column is as follows:

- (1) The issuer fills in “0”.
- (2) The investee is numbered in sequential order starting from 1 according to the company.

Note 2: The relationship between the endorsing/guarantees and the endorsed/guaranteed entity is classified into the following seven categories. Please specify the type of relationship:

- (1) A business associate.
- (2) Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
- (3) Companies with more than 50% of voting rights directly or indirectly held by the Company.
- (4) Among companies in which the Company directly and indirectly holds more than 90% of the voting shares.
- (5) A company that is a mutual guarantor for another company in the same industry or a joint builder of the company in accordance with the contract.
- (6) Companies endorsed/guaranteed by all shareholders with the same shareholding ratio due to a joint investment relationship.
- (7) The peer guarantor is jointly responsible for the performance guarantee of the pre-sale house sales contract in accordance with the regulations of the Consumer Protection Act.

Note 3: According to the guarantor company's endorsement and guarantee procedures, the total amount of external endorsements and guarantees is limited to not more than 50% of the net worth in the most recent financial statements.

The amount of endorsements/guarantees for a single enterprise shall not exceed 50% of the net value of the most recent financial statements.

Note 4: The maximum balance of endorsements/guarantees for others in the current year.

Note 5: Amounts approved by the Board of Directors should be filled in. However, when the Board of Directors authorizes the chairman to make decisions in accordance with Article 12, Paragraph 8 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, this refers to the amount that the chairman is authorized to approve.

Note 6: The actual drafted amount by the endorsed/guaranteed company within the range of the endorsement/guarantee balance.

Note 7: “Y” only if the endorsement/guarantee is made by a TWSE/TPEx-listed company for a subsidiary, or a subsidiary for a TWSE/TPEx-listed company, or to an entity in China.

GSeven Co., Ltd.

Amount of purchase from or sale to related parties reaching 100 million NT\$ or more than 20% of the paid-in capital

From January 1 to September 30, 2025

Table 3

Unit: NT\$ Thousand

(unless otherwise specified)

Companies engaged in purchase (sale)	Name of trading counterparty	Relations with Customs	Purchase (sale) of goods	Transaction Status		As a percentage of total purchase (sale)	Credit period	Unit price	Credit period	Balance	Notes and accounts receivable (payable)	As a percentage of total notes and accounts receivable (payable)	Note
				Amount	(10)								
GSeven Co., Ltd.	GShare Co., Ltd.	Subsidiaries	Sales	(\$ 349,824)	(10)	Note 1	Note 1	Note 1	Note 1	\$ 21	-	-	Note

Note 1: The transaction price of the Company's sales to related parties is based on the agreement between both parties. The payment terms are monthly settlement and 30 days, which are not significantly different from the general customer transaction terms.

GSeven Co., Ltd.

Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital

From January 1 to September 30, 2025

Table 4

Unit: NT\$ Thousand

(unless otherwise specified)

Company listed in the "Accounts receivable" account	Name of trading counterparty	Relations with Customs	Balance of receivables from related parties		Turnover rate	Overdue receivables from related parties		Receivables from related parties	
			Subsidiaries of the Company	Other receivables		Amount	Method of handling	Amount subsequently recovered	Amount of loss allowance
GSeven Co., Ltd.	GShare Co., Ltd.			\$ 56,977	-	\$ -	-	\$ -	\$ -

GSeven Co., Ltd.

Business relationships and significant transactions between the parent company and its subsidiaries

From January 1 to September 30, 2025

Table 5

Unit: NT\$ Thousand

(unless otherwise specified)

No. (Note 1)	Name of trader	Trading counterpart	Relations with the counterparty (Note 2)	Title	Amount	Transaction status		As a percentage of consolidated total revenue or total assets (Note 3)
						Transaction terms and conditions		
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Sales revenue	\$ 349,824	Note 5		10
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Purchase	14,692	Note 5		-
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Other receivables	6,977	The parties shall proceed as agreed		-
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Other receivables	50,000	Note 6		2
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Other payables	34,614	The parties shall proceed as agreed		1
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Current contract liabilities	4,580	The parties shall proceed as agreed		-
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Endorsement/Guarantee	450,200	Note 7		-
0	GSeven Co., Ltd.	GShare Co., Ltd.	1	Sales expense deduction	40,814	The parties shall proceed as agreed		1

Note 1: Business transactions between the parent company and subsidiaries are numbered as follows:

(1). Fill in "0" for the parent company.

(2). The subsidiary is numbered in sequential order starting from 1 according to the company.

Note 2: There are three types of relationships with the transaction parties. Please mark the type (there is no need to repeatedly disclose the same transaction between parent and subsidiary companies or between subsidiary companies. If the parent company has disclosed a transaction with a subsidiary, the subsidiary does not have to disclose the transaction again;

If a subsidiary has already disclosed its transaction with another subsidiary, the other subsidiary is not required to disclose the transaction again):

(1). Parent company to subsidiary

(2). Subsidiary to parent company

(3). Subsidiary to subsidiary

Note 3: To calculate the ratio of transaction amounts to consolidated total revenue or total assets, for balance sheet items, the calculation is based on the equity at end of period divided by consolidated total assets; for income statement items, the calculation is based on the cumulative amount during the period divided by consolidated total revenue.

Note 4: The significant transactions in the table are only those with an amount of NT\$5 million or more.

Note 5: Transaction prices are agreed upon by both parties. The payment and collection terms are a monthly settlement of 30 days each. There is no significant difference between the general customer and vendor transaction conditions.

Note 6: The Company follows the Operational Procedures for Loaning Funds to Others.

Note 7: The Company follows the Operational Procedures for Loaning Funds to Others.

GSeven Co., Ltd.

The name and location of the investee company and other relevant information (excluding investee companies in China)

From January 1 to September 30, 2025

Table 6

Unit: NT\$ Thousand

(unless otherwise specified)

Name of the investment company	Name of investee	Location of the site	Main business activities	Initial investment amount		Holding at the end of period			Current profit and of the investee company	Investment gain or loss recognized of the current period	Note
				End of the period	End of last year	Number of shares	Ratio of cost	Book value			
GSeven Co., Ltd.	GShare Co., Ltd.	Taiwan	Wholesale and retail of electrical appliances, home appliances, audio equipment, information and communication products, etc.	\$ 250,000	\$ 250,000	25,000,000	100	\$ 292,174	\$ 19,169	\$ 19,222	Note 1

Note 1: The difference between the investee's current profit (loss) and the investment profit (loss) recognized by the Company is the unrealized profit (loss) from the internal transaction within the Company.