

APEX DYNAMICS, INC.
and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders of APEX Company :

Introduction

We have audited the consolidated financial statements of APEX Company and its subsidiaries, which comprise the consolidated balance sheets as of September 30, 2025 and 2024, and the related consolidated statements of Comprehensive income for the three months and the nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. It is the management's responsibility to prepare of the consolidated financial statements that adequately expresses itself in accordance with the Financial Reporting Standards for Securities Issuers and the International Accounting Standard No. 34 "Interim Financial Reporting" approved and promulgated by the Financial Supervisory Commission and effective. The accountant's responsibility is based on this. The review results draw conclusions on the consolidated financial statements.

Scope of Review

The accountant performs the review work in accordance with ISRE 2410 「Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The procedures performed when reviewing the consolidated financial statements include inquiries (mainly from those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the review work is significantly smaller than the scope of the audit work. Therefore, the accountant may not be able to detect all significant matters that can be identified through the audit work, and therefore cannot express an audit opinion.

Conclusion

Based on the results of the accountant's review, it was not found that the consolidated financial statements failed to comply with the preparation standards for financial reporting of securities issuers and the International Accounting Standard No. 34 "Interim Financial Report" approved and issued by the Financial Supervisory Commission in all material respects report preparation, which makes it impossible to properly express the consolidated financial position of APEX DYNAMICS, INC. As of September 30, 2025 and 2024, its consolidated financial performance for the three months and the nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months ended September 30, 2025 and 2024.

The engagement partners on the audit resulting in this independent auditors' report are Tsu-Hsin, Chang and Yen-Hui, Chen.

KPMG

Taipei, Taiwan (Republic of China)

October 31, 2025

Notice to Readers

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

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

APEX DYNAMICS, INC. and Subsidiaries

Consolidated Statements of Balance Sheets

(In Thousands of New Taiwan Dollars)

Assets		September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity		September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current Assets								Current Liabilities							
1100	Cash and cash equivalents (Note.6(1))	\$ 2,037,424	18	3,387,458	30	3,886,483	36	2130	Current contract liabilities (Note.6 (20))	\$ 18,898	-	27,961	-	18,113	-
1110	Current financial assets at fair value through profit or loss (Note.6(2))	184	-	183	-	193	-	2170	Accounts payable	56,361	1	78,200	1	71,478	1
1150	Notes receivable, net (Note.6(3))	377	-	4,153	-	3,250	-	2200	Other payables	295,294	3	175,786	2	163,567	2
1170	Accounts receivable, net (Note.6(3))	204,213	2	170,272	2	225,775	2	2230	Current tax liabilities	29,792	-	157,476	1	106,752	1
1180	Accounts receivable due from related parties, net (Notes.6(3) and 7)	28,494	-	29,065	-	29,022	-	2280	Current lease liabilities (Note.6(13))	31,662	-	24,475	-	26,645	-
1200	Other receivables, net (Note.6(4))	12,669	-	6,529	-	9,580	-	2300	Other Current Liabilities (Note.6 (12)(14))	5,308	-	5,575	-	4,605	-
1220	Current tax assets	38	-	1,304	-	32	-		Total Current Liabilities	<u>437,315</u>	<u>4</u>	<u>469,473</u>	<u>4</u>	<u>391,160</u>	<u>4</u>
130X	Inventory(Note.6(5))	1,744,601	16	1,758,101	16	1,722,637	16								
1410	Prepayments (Note.6(6))	9,557	-	7,213	-	14,695	-	2570	Deferred tax liabilities	1,325	-	6	-	455	-
1476	Other current financial assets (Note.6(10) and 8)	2,817,317	26	1,719,263	15	847,016	8	2580	Non-current lease liabilities (Note.6(13))	645,920	6	525,146	5	526,106	5
1479	Other current assets, others (Note.6(10))	30	-	320	-	52	-	2630	Long-term deferred revenue (Note.6(14))	4,832	-	5,056	-	5,133	-
	Total current assets	<u>6,854,904</u>	<u>62</u>	<u>7,083,861</u>	<u>63</u>	<u>6,738,735</u>	<u>62</u>	2645	Guarantee deposits received (Note.6(12))	2,077	-	2,077	-	2,077	-
	Non-current assets:								Total Non-Current Liabilities	<u>654,154</u>	<u>6</u>	<u>532,285</u>	<u>5</u>	<u>533,771</u>	<u>5</u>
1600	Property, plant and equipment (Note.6(7) 8 and 9)	3,198,687	29	3,317,028	30	3,369,064	31		Total Liabilities	<u>1,091,469</u>	<u>10</u>	<u>1,001,758</u>	<u>9</u>	<u>924,931</u>	<u>9</u>
1755	Right-of-use asset (Note.6(8))	640,693	6	511,396	5	520,709	5		Equity-Parent company (Note.6(18))						
1780	Intangible assets (Note.6(9))	222,838	2	223,116	2	223,253	2	3100	Capital stock	801,714	7	801,714	7	801,714	7
1840	Deferred tax assets	40,773	1	14,294	-	14,034	-	3200	Capital surplus	883,257	8	1,203,942	11	1,203,942	11
1920	Guarantee deposits paid (Note.6(10))	2,079	-	2,069	-	2,019	-	3300	Retained earnings	8,213,535	75	8,183,558	73	7,958,671	73
1990	Other non-current assets, others (Note.6 (10))	30,001	-	39,208	-	21,444	-		Total equity	<u>9,898,506</u>	<u>90</u>	<u>10,189,214</u>	<u>91</u>	<u>9,964,327</u>	<u>91</u>
	Total Non-current assets	<u>4,135,071</u>	<u>38</u>	<u>4,107,111</u>	<u>37</u>	<u>4,150,523</u>	<u>38</u>		Total Liabilities and Equity	<u>\$ 10,989,975</u>	<u>100</u>	<u>11,190,972</u>	<u>100</u>	<u>10,889,258</u>	<u>100</u>
	Total assets	<u>\$ 10,989,975</u>	<u>100</u>	<u>11,190,972</u>	<u>100</u>	<u>10,889,258</u>	<u>100</u>								

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

APEX DYNAMICS, INC. and Subsidiaries
Consolidated Statements of Comprehensive Income
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Three Months Ended September 30				Nine Months Ended September 30					
	2025		2024		2025		2024			
	Amount	%	Amount	%	Amount	%	Amount	%		
4000	Operating revenue (Note.6(20) and 7)		\$ 692,290	100	758,747	100	2,236,022	100	2,227,340	100
5000	Operating costs (Note.6(5) (7) (8) (13) (16) (21))		<u>332,681</u>	<u>48</u>	<u>343,084</u>	<u>45</u>	<u>1,062,273</u>	<u>48</u>	<u>1,014,393</u>	<u>46</u>
	Gross profit (loss) from operations		<u>359,609</u>	<u>52</u>	<u>415,663</u>	<u>55</u>	<u>1,173,749</u>	<u>52</u>	<u>1,212,947</u>	<u>54</u>
	Operating Expense (Note.6(7) (8) (9) (13) (16) (21) and7) :									
6100	Selling expenses		10,427	2	14,148	2	27,613	1	30,334	1
6200	Administrative expenses		136,486	20	139,606	19	408,624	18	406,118	18
6300	Research and development expenses		<u>9,201</u>	<u>1</u>	<u>8,698</u>	<u>1</u>	<u>26,848</u>	<u>1</u>	<u>31,088</u>	<u>2</u>
	Total operating expenses		<u>156,114</u>	<u>23</u>	<u>162,452</u>	<u>22</u>	<u>463,085</u>	<u>20</u>	<u>467,540</u>	<u>21</u>
	Net operating income		<u>203,495</u>	<u>29</u>	<u>253,211</u>	<u>33</u>	<u>710,664</u>	<u>32</u>	<u>745,407</u>	<u>33</u>
	Non-operating income and expenses Note.6(22)):									
7100	Interest income		20,669	3	19,766	3	63,872	3	116,800	6
7010	Other income (Note.6(14)(15))		3,514	1	3,117	-	9,677	-	10,070	-
7020	Other gains and losses, net (Note.6(23))		75,704	10	37,113	5	40,334	2	267,891	12
7050	Finance costs, net (Note.6(13))		<u>(1,984)</u>	<u>-</u>	<u>(1,535)</u>	<u>-</u>	<u>(5,963)</u>	<u>-</u>	<u>(4,606)</u>	<u>-</u>
	Total non-operating income and expenses		<u>97,903</u>	<u>14</u>	<u>58,461</u>	<u>8</u>	<u>107,920</u>	<u>5</u>	<u>390,155</u>	<u>18</u>
7900	Profit from continuing operations before tax		301,398	43	311,672	41	818,584	37	1,135,562	51
7950	Total tax expense (Note.6(17))		<u>57,754</u>	<u>8</u>	<u>60,045</u>	<u>8</u>	<u>147,236</u>	<u>7</u>	<u>226,430</u>	<u>10</u>
	Profit (loss)		<u>243,644</u>	<u>35</u>	<u>251,627</u>	<u>33</u>	<u>671,348</u>	<u>30</u>	<u>909,132</u>	<u>41</u>
8300	Other comprehensive income, net		-	-	-	-	-	-	-	-
8500	Total comprehensive income		<u>\$ 243,644</u>	<u>35</u>	<u>251,627</u>	<u>33</u>	<u>671,348</u>	<u>30</u>	<u>909,132</u>	<u>41</u>
	Profit (loss), attributable to:									
	Shareholders of the parent		\$ 243,644	35	251,627	33	671,348	30	909,132	41
	Non-controlling interests		-	-	-	-	-	-	-	-
			<u>\$ 243,644</u>	<u>35</u>	<u>251,627</u>	<u>33</u>	<u>671,348</u>	<u>30</u>	<u>909,132</u>	<u>41</u>
	Total comprehensive profit and loss belongs to:									
	Shareholders of the parent		\$ 243,644	35	251,627	33	671,348	30	909,132	41
	Non-controlling interests		-	-	-	-	-	-	-	-
			<u>\$ 243,644</u>	<u>35</u>	<u>251,627</u>	<u>33</u>	<u>671,348</u>	<u>30</u>	<u>909,132</u>	<u>41</u>
	Earnings per share (Note.6(19))									
9750	Basic earnings per share (NT\$)		<u>\$ 3.04</u>		<u>3.14</u>		<u>8.37</u>		<u>11.34</u>	
9850	Diluted earnings per share (NT\$)		<u>\$ 3.04</u>		<u>3.14</u>		<u>8.37</u>		<u>11.34</u>	

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

APEX DYNAMICS, INC. and Subsidiaries
Consolidated Statements of Changes in Equity

(In Thousands of New Taiwan Dollars)

	Ownership interest - Attributable to the parent company					
	Share Capital	Capital Surplus	Legal Reserve	Retained Earnings		Total Equity
				Undistributed Earnings	Total	
Balance at January 1, 2024	\$ 801,714	1,364,285	982,252	6,708,658	7,690,910	9,856,909
Profit	-	-	-	909,132	909,132	909,132
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	909,132	909,132	909,132
Appropriation and distribution of retained earnings:						
Legal reserve appropriated			87,316	(87,316)	-	-
Cash dividends of ordinary share	-	-	-	(641,371)	(641,371)	(641,371)
Cash dividends from Capital surplus	-	(160,343)	-	-	-	(160,343)
	-	(160,343)	87,316	(728,687)	(641,371)	(801,714)
Balance at September 30, 2024	\$ 801,714	1,203,942	1,069,568	6,889,103	7,958,671	9,964,327
Balance at January 1, 2025	\$ 801,714	1,203,942	1,069,568	7,113,990	8,183,558	10,189,214
Profit	-	-	-	671,348	671,348	671,348
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	671,348	671,348	671,348
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	113,402	(113,402)	-	-
Cash dividends of ordinary share	-	-	-	(641,371)	(641,371)	(641,371)
Cash dividends from Capital surplus	-	(320,685)	-	-	-	(320,685)
	-	(320,685)	113,402	(754,773)	(641,371)	(962,056)
Balance at September 30, 2025	\$ 801,714	883,257	1,182,970	7,030,565	8,213,535	9,898,506

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

APEX DYNAMICS, INC. and Subsidiaries

Consolidated Statements of Cash Flows

(In Thousands of New Taiwan Dollars)

	Nine Months Ended September 30	
	2025	2024
Cash flows from (used in) operating activities :		
Profit (loss) before tax	\$ 818,584	1,135,562
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	213,864	221,703
Amortization expense	278	521
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(1)	(6)
Interest expense	5,963	4,606
Interest income	(63,872)	(116,800)
Dividend income	(15)	(13)
Loss (gain) on disposal of property, plant and equipment	6	-
Total adjustments to reconcile profit (loss)	156,223	110,011
Changes in operating assets and liabilities :		
Changes in operating assets		
Decrease (increase) in notes receivable	3,776	(956)
Decrease (increase) in accounts receivable	(33,941)	(18,143)
Decrease (increase) in accounts receivable due from related parties	571	(5,882)
Decrease (increase) in other receivable	(3,908)	(849)
Adjustments for decrease (increase) in inventories	13,500	(63,407)
Decrease (increase) in prepayments	(2,344)	(5,646)
Adjustments for decrease (increase) in other current assets	290	(18)
Decrease (increase) in other financial assets	-	(10,003)
Total change in operating assets	(22,056)	(104,904)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(9,063)	(9,567)
Increase (decrease) in accounts payable	(21,839)	3,714
Increase (decrease) in other payables	131,939	30,072
Adjustments for increase (decrease) in other current liabilities	(491)	(2,831)
Total changes in operating liabilities	100,546	21,388
Total changes in operating assets and liabilities	78,490	(83,516)
Total adjustments	234,713	26,495
Cash inflow (outflow) generated from operations	1,053,297	1,162,057
Interest received	61,640	144,245
Dividends received	15	13
Interest paid	(5,963)	(4,606)
Income taxes refund (paid)	(298,814)	(325,089)
Net cash flows from (used in) operating activities	810,175	976,620
Cash flows from (used in) Investing Activities :		
Acquisition of property, plant and equipment	(52,698)	(29,316)
Increase in refundable deposits	(10)	-
Acquisition of intangible assets	-	(35)
Increase in other financial assets	(1,098,054)	(339,001)
Increase in other non-current assets	(18,748)	(8,329)
Net cash flows from (used in) investing activities	(1,169,510)	(376,681)
Cash flows from (used in) financing activities :		
Increase in short-term loans	120,000	150,000
Decrease in short-term loans	(120,000)	(150,000)
Payments of lease liabilities	(28,643)	(29,078)
Cash dividends paid	(962,056)	(801,714)
Net cash flows from (used in) financing activities	(990,699)	(830,792)
Net decrease in cash and cash equivalents	(1,350,034)	(230,853)
Cash and cash equivalents at beginning of period	3,387,458	4,117,336
Cash and cash equivalents at end of period	\$ 2,037,424	3,886,483

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

APEX DYNAMICS, INC. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2025 and 2024

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. Company history

The APEX DYNAMICS, INC. (Hereinafter referred to as the " Consolidated Company", named Taiwan Guangyong Power Technology Co., Ltd.), established on October 26, 1999 with the approval of the Ministry of Economic Affairs, The Taiwan Guangyong Power Technology Co., Ltd. merged with APEX DYNAMICS, INC. on December 26, 2008, and took the company as the surviving company after the merger, It was renamed as APEX DYNAMICS, INC. on February 26, 2009, registered at No. 10, Keyuan 3rd Rd., Situn District, Taichung City, Taiwan. The main business items of the Consolidated Company are the manufacture of mechanical transmission components such as precision gearbox, mechanical drive system accessories and the star rated hotel.

The company's stock has been approved for listing and trading by the Taiwan Stock Exchange, it has been officially listed on the Taiwan Stock Exchange since May 9, 2022.

2. Approval date and procedures of the financial statements

The Consolidated Company only financial statements were authorized for issuance by the Board of Directors on October 31, 2025.

3. New standards, amendments and interpretations adopted

(1) The impact of the newly released and revised standards and interpretations are recognized by the "Financial Supervisory Commission"

The Consolidated Company began to apply the following newly revised "International Financial Reporting Standards" from January 1, 2025, and it did not have a significant impact on consolidated financial statements.

- Amendments to "International Accounting Standards", No.21 : "Lack of Exchangeability"

(2) The impact of not yet adopting the Accounting Standards of International Financial Reporting Standards recognized by the Financial Supervisory Commission

The Consolidated Company is expected to begin applying the following newly revised International Financial Reporting Standards and International Accounting Standards from January 1, 2026. The potential impacts are described as follows:

The amendments to International Financial Reporting Standard No.9 and International Financial Reporting Standard No.7 regarding "Amendments to the Classification and Measurement of Financial Instruments." relate to the application guidance in Section 4.1 of International Financial Reporting Standard No.9 and the relevant disclosure requirements of International Financial Reporting Standard No.7.

This amendment introduces an additional test to assess the condition of "solely payments of principal and interest on the principal amount outstanding" for financial assets with contingent characteristics that are not directly related to the underlying credit risk or costs (for example, when cash flows depend on whether the borrower meets the specified sustainable linked targets in the loan agreement).

The Consolidated Company has not chosen to apply the application guidance in Section 4.1 of the amendment from January 1, 2025, in advance, as per the Q&A released by the Financial Supervisory Commission on February 26, 2025.

(3) Newly released and revised standards and interpretations not yet approved by the "Financial Supervisory Commission"

The standards and interpretations that have been issued and revised by the International Accounting Standards Board but have not yet been approved by the Financial Supervisory Commission be relevant to the merged Consolidated Company as follows :

Newly released or revised standards	Main revisions	Issued by the Council Effective Date
"International Financial Reporting Standards", No.18 : "Presentation and disclosure of financial statements."	<p>The new standard introduces three categories of income and expense, two income statement subtotals and a single note on management's performance measurement. These three revisions and strengthened guidance on how to segment information in financial statements lay the foundation for providing users with better and more consistent information and will impact all companies.</p> <ul style="list-style-type: none"> • More structured income statements: Under current standards, companies use different formats to express their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured income statement, introduces a new definition of "operating profit" subtotal, and stipulates that all income and expenses and losses will be classified into three new different categories based on the company's main operating activities. • Management Performance Measurement (MPMs): The new standard introduces a definition of management performance measurement and requires companies to explain in a single note to the financial statements why each measure provides useful information, how it is calculated and how it reconciles the measure with the amount recognized in accordance with IFRS accounting standards. • More granular information : The new standard includes guidance on how companies can enhance the grouping of information in their financial statements. This includes guidance on whether the information should be included in the main financial statements or further broken down in the notes. 	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.</p>

The Consolidated Company is continuing to evaluate the impact of the above standards and interpretations on the financial position and operating results of the Consolidated Company. The relevant impact will be disclosed when the evaluation is completed.

The Consolidated Company expects that the following other unrecognized newly issued and revised standards will not have a significant impact on consolidated financial statements.

- Amendments to "International Financial Reporting Standards" No.10 and "International Accounting Standards" No.28 "Asset sale or investment between investors and their affiliates or joint ventures" .
- "International Financial Reporting Standards" No.19: "Updating the Subsidiaries without Public Accountability : Disclosures", and amendments to "International Financial Reporting Standards" No.19.

4. Summary of significant accounting policies

(1) Statement of compliance

This consolidated financial statement is prepared in accordance with Regulations Governing the Preparation of Financial Statements by Securities Issuers (hereinafter referred to as the "Preparation Standards") and International Accounting Standard No. 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission. This consolidated financial statements does not include the entire annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretations recognized and issued by the Financial Supervisory Commission (hereinafter referred to as the "International Financial Reporting Standards Accounting Standards recognized by the Financial Supervisory Commission"). Financial statements should disclose all necessary information.

Except as set out below, the material accounting policies adopted in this consolidated financial statements is the same as those for the year ended December 31, 2024 consolidated financial statements, which can be found in Note.4 for the year ended December 31, 2024 consolidated financial statements.

(2) Consolidated basis

A. Subsidiaries included in this consolidated financial statements include :

Investor company name	Subsidiary name	Industry	Shareholding ratio		
			September 30, 2025	December 31, 2024	September 30, 2024
APEX DYNAMICS, INC.	MILLENNIUM VEE HOTEL TAICHUNG	Hotel	100%	100%	100%

B. Subsidiaries not included in the consolidated financial statements : None.

(3) Income Tax

The Consolidated Company measures and discloses income tax expenses for the interim period in accordance with paragraph B12 of International Accounting Standard No.34 "Interim Financial Reporting".

Income tax expense is measured by multiplying the pre-tax net income for the interim reporting period by management's best estimate of the effective tax rate for the full year, and the entire amount is recognized as current income tax expense.

5. Major sources of uncertainty in major accounting judgments, estimates and assumptions

When the management prepares in this consolidated financial statements in accordance with the preparation standards and International Accounting Standard No.34 "Interim Financial Reporting" approved by the Financial Supervisory Commission, it must make judgments and estimates about the future (including climate-related risks and opportunities) which will affect the adoption of accounting policies and assets, liabilities, the reported amounts of revenue and expenses are affected. Actual results may differ from estimates.

When preparing the consolidated financial statements, the significant judgments made by management in adopting the accounting policies of the Consolidated Company and the main sources of estimation uncertainty are consistent with Note.5 for the year ended December 31, 2024 consolidated financial statements.

6. Explanation of Important Accounting Items

Except as described below, there are no significant differences in the description of important accounting items in this consolidated financial statements and for the year ended December 31, 2024 consolidated financial statements. For relevant information, please refer to Note.6 for the year ended December 31, 2024 consolidated financial statements.

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 1,584	1,246	858
Demand deposit	314,480	211,650	198,613
Time deposit	1,721,360	415,465	842,607
Cash equivalents - Commercial paper	-	2,759,097	15,877
Cash equivalents - Repurchase Agreements	-	-	2,828,528
Cash and cash equivalents listed in the cash flow statement	<u>\$ 2,037,424</u>	<u>3,387,458</u>	<u>3,886,483</u>

Please refer to Note.6 (10) for the certificate of deposit of the Consolidated Company for more than three months.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Non-effective hedging instrument			
Beneficiary certificate - Fund	<u>\$ 184</u>	<u>183</u>	<u>193</u>

Please refer to Note.6 (22) for the amount recognized in profit or loss at fair value.

For market risk information, please refer to Note.6 (23).

(3) Notes receivable and Accounts receivable (including related parties)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable - Due to business	\$ 579	4,355	3,452
Less : Allowance for losses	<u>(202)</u>	<u>(202)</u>	<u>(202)</u>
	<u>\$ 377</u>	<u>4,153</u>	<u>3,250</u>
Accounts receivable - Measured at amortized cost	\$ 204,228	170,287	225,790
Accounts receivable - Related parties - Amortized cost measure	28,494	29,065	29,022
Less : Allowance for losses	<u>(15)</u>	<u>(15)</u>	<u>(15)</u>
	<u>\$ 232,707</u>	<u>199,337</u>	<u>254,797</u>

The Consolidated Company uses a simplified approach to estimate expected credit losses for all notes receivable and accounts receivable (including related parties), that is, it is measured by the expected credit loss during the duration, for this measurement purpose, Notes receivable and accounts receivable (including related parties) are grouped according to the common credit risk characteristics representing the customer's ability to pay all due amounts in accordance with the terms of the contract, And has incorporated forward-looking information, including general economic and related industry information.

The expected credit loss analysis of the Consolidated Company's Notes receivable and Accounts receivable (including related parties) is as follows :

	September 30, 2025		
	<u>Notes receivable and Accounts receivable Amount</u>	<u>Weighted average expected credit loss rate</u>	<u>Duration of allowance expected credit losses</u>
Not overdue	<u>\$ 233,301</u>	0.093%	<u>217</u>
	December 31, 2024		
	<u>Notes receivable and Accounts receivable Amount</u>	<u>Weighted average expected credit loss rate</u>	<u>Duration of allowance expected credit losses</u>
Not overdue	<u>\$ 203,707</u>	0.107%	<u>217</u>
	September 30, 2024		
	<u>Notes receivable and Accounts receivable Amount</u>	<u>Weighted average expected credit loss rate</u>	<u>Duration of allowance expected credit losses</u>
Not overdue	<u>\$ 258,264</u>	0.084%	<u>217</u>

The Consolidated Company's Notes receivable and Accounts receivable allowance loss changes table is as follows :

	Nine Months Ended September 30	
	2025	2024
Closing balance (opening balance)	<u>\$ 217</u>	<u>217</u>

The Consolidated Company's Notes receivable and Accounts receivable (including related parties) are not discounted or provided as collateral.

Please refer to Note.6 (23) for the credit and exchange rate risks of the Consolidated Company's Notes receivable and Accounts receivable (including related parties).

(4) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Income tax refund receivable	\$ 5,987	4,012	6,881
Interest receivable	4,673	2,441	2,665
Others	<u>2,009</u>	<u>76</u>	<u>34</u>
	<u>\$ 12,669</u>	<u>6,529</u>	<u>9,580</u>

For the remaining credit risk information, please refer to Note.6 (23)

(5) Inventory

	September 30, 2025	December 31, 2024	September 30, 2024
Commodity	\$ 86	100	104
Raw material	168,316	202,209	193,187
Semi-finished product	1,083,730	1,062,886	1,024,590
Work in Process	385,859	390,673	406,231
Manufactures	<u>106,610</u>	<u>102,233</u>	<u>98,525</u>
	<u>\$ 1,744,601</u>	<u>1,758,101</u>	<u>1,722,637</u>

The cost of goods sold is detailed as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Inventory sale transfer	\$ 288,208	302,365	925,835	898,164
Room, food and beverage costs	41,788	41,009	126,264	118,950
Inventory valuation losses	4,640	3,069	18,494	7,015
Scrap income	(2,772)	(4,697)	(9,544)	(11,074)
Others	<u>817</u>	<u>1,338</u>	<u>1,224</u>	<u>1,338</u>
	<u>\$ 332,681</u>	<u>343,084</u>	<u>1,062,273</u>	<u>1,014,393</u>

The Consolidated Company's inventory has not been pledged as a guarantee.

(6) Prepayments

The details of the Consolidated Company's prepayment are as follows :

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Advance payment	\$ 892	1,124	80
Office supplies	1,918	1,789	2,028
Prepaid expenses	<u>6,747</u>	<u>4,300</u>	<u>12,587</u>
	<u>\$ 9,557</u>	<u>7,213</u>	<u>14,695</u>

(7) Property, plant and equipment

The details of the cost and depreciation of the Consolidated Company's real estate, plant and equipment for the nine months ended September 30, 2025 and 2024 are as follows :

	<u>Land</u>	<u>Buildings</u>	<u>Mechanical equipment</u>	<u>Other facilities</u>	<u>Total</u>
Cost or deemed cost					
Balance at January 1, 2025	\$ 201,218	4,932,558	3,107,734	648,921	8,890,431
Additions	-	19,451	14,796	6,020	40,267
Disposals	-	-	(29,490)	-	(29,490)
Reclassifications	-	5,128	20,475	2,352	27,955
Balance at September 30, 2025	<u>\$ 201,218</u>	<u>4,957,137</u>	<u>3,113,515</u>	<u>657,293</u>	<u>8,929,163</u>
Balance at January 1, 2024	\$ 201,218	4,923,556	3,088,453	620,259	8,833,486
Additions	-	6,630	14,256	12,031	32,917
Disposals	-	-	(137)	-	(137)
Reclassifications	-	-	2,804	10,120	12,924
Balance at September 30, 2024	<u>\$ 201,218</u>	<u>4,930,186</u>	<u>3,105,376</u>	<u>642,410</u>	<u>8,879,190</u>
Depreciation					
Balance at January 1, 2025	\$ -	2,134,464	2,929,590	509,349	5,573,403
Depreciation	-	101,703	58,750	26,104	186,557
Disposals	-	-	(29,484)	-	(29,484)
Balance at September 30, 2025	<u>\$ -</u>	<u>2,236,167</u>	<u>2,958,856</u>	<u>535,453</u>	<u>5,730,476</u>
Balance at January 1, 2024	\$ -	1,995,365	2,844,999	476,134	5,316,498
Depreciation	-	104,812	64,605	24,348	193,765
Disposals	-	-	(137)	-	(137)
Balance at September 30, 2024	<u>\$ -</u>	<u>2,100,177</u>	<u>2,909,467</u>	<u>500,482</u>	<u>5,510,126</u>
Carrying amounts					
Balance at January 1 , 2025	<u>\$ 201,218</u>	<u>2,798,094</u>	<u>178,144</u>	<u>139,572</u>	<u>3,317,028</u>
Balance at September 30, 2025	<u>\$ 201,218</u>	<u>2,720,970</u>	<u>154,659</u>	<u>121,840</u>	<u>3,198,687</u>
Balance at January 1 , 2024	<u>\$ 201,218</u>	<u>2,928,191</u>	<u>243,454</u>	<u>144,125</u>	<u>3,516,988</u>
Balance at September 30, 2024	<u>\$ 201,218</u>	<u>2,830,009</u>	<u>195,909</u>	<u>141,928</u>	<u>3,369,064</u>

The details of the Consolidated Company's properties, plants, and equipment that have been pledged as collateral for bank loans and financing limits are provided in Note .8.

(8) Right of use asset

The cost and depreciation of the Consolidated Company's leased land, buildings and other equipment, etc., the details of the changes are as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost			
Balance at January 1 , 2025	\$ 679,957	958	680,915
Additions	<u>156,604</u>	<u>-</u>	<u>156,604</u>
Balance at September 30 , 2025	<u>\$ 836,561</u>	<u>958</u>	<u>837,519</u>
Balance at January 1 , 2024	\$ 728,753	958	729,711
Additions	<u>2,770</u>	<u>-</u>	<u>2,770</u>
Balance at September 30 , 2024	<u>\$ 731,523</u>	<u>958</u>	<u>732,481</u>
Depreciation			
Balance at January 1 , 2025	\$ 169,004	515	169,519
Depreciation	<u>27,141</u>	<u>166</u>	<u>27,307</u>
Balance at September 30 , 2025	<u>\$ 196,145</u>	<u>681</u>	<u>196,826</u>
Balance at January 1 , 2024	\$ 183,540	294	183,834
Depreciation	<u>27,772</u>	<u>166</u>	<u>27,938</u>
Balance at September 30 , 2024	<u>\$ 211,312</u>	<u>460</u>	<u>211,772</u>
Carrying amounts			
Balance at January 1 , 2025	<u>\$ 510,953</u>	<u>443</u>	<u>511,396</u>
Balance at September 30 , 2025	<u>\$ 640,416</u>	<u>277</u>	<u>640,693</u>
Balance at January 1 , 2024	<u>\$ 545,213</u>	<u>664</u>	<u>545,877</u>
Balance at September 30 , 2024	<u>\$ 520,211</u>	<u>498</u>	<u>520,709</u>

(9) Intangible Assets

	<u>Patent Right</u>	<u>Computer Software</u>	<u>Trademar k Rights</u>	<u>Goodwill</u>	<u>Total</u>
Carrying amounts					
Balance at January 1 , 2025	<u>\$ 1,300</u>	<u>405</u>	<u>63</u>	<u>221,348</u>	<u>223,116</u>
Balance at September 30 , 2025	<u>\$ 1,198</u>	<u>234</u>	<u>58</u>	<u>221,348</u>	<u>222,838</u>
Balance at January 1 , 2024	<u>\$ 1,440</u>	<u>914</u>	<u>37</u>	<u>221,348</u>	<u>223,739</u>
Balance at September 30 , 2024	<u>\$ 1,370</u>	<u>505</u>	<u>30</u>	<u>221,348</u>	<u>223,253</u>

There are no significant additions, disposals, impairments, provision or reversal of the intangible assets of the Consolidated Company's for the nine months ended September 30, 2025 and 2024. Please refer to Note.12 (1) for the amortization amount of the current period. For other relevant information, please refer to Note.6 (9) for the year ended December 31, 2024 consolidated financial statements.

No intangible assets of the Consolidated Company were provided as collateral.

(10) Other current assets and other non-current assets

The details other current assets and other non-current assets of the Consolidated Company are as follows :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Other current asset :			
Temporary payments	\$ 30	6	52
Pending payment	<u>-</u>	<u>314</u>	<u>-</u>
	<u>\$ 30</u>	<u>320</u>	<u>52</u>
Other financial assets :			
Restricted deposit	\$ 13,127	15,677	13,436
Deposit account : More than three months, less than one year	2,755,000	1,655,000	817,000
Guarantee deposits	<u>49,190</u>	<u>48,586</u>	<u>16,580</u>
	<u>\$ 2,817,317</u>	<u>1,719,263</u>	<u>847,016</u>
Other non-current assets :			
Prepayments for equipment	\$ 30,001	39,208	21,444
Guarantee deposits paid	<u>2,079</u>	<u>2,069</u>	<u>2,019</u>
	<u>\$ 32,080</u>	<u>41,277</u>	<u>23,463</u>

Please refer to Note.8 for the details of pledge guarantee.

(11) Short-term loan

The details of the Consolidated Company's short-term loans are as follows :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Unused quota	<u>\$ 3,600,000</u>	<u>4,600,000</u>	<u>4,600,000</u>
Interest rate range	<u>2.16%</u>	<u>2.16%</u>	<u>2.16%</u>

Please refer to Note.8 for the details of the Consolidated Company's guarantee for bank loans with assets.

(12) Other current liabilities and other non-current liabilities

The details of other current liabilities and other non-current liabilities of the Consolidated Company are as follows :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Other current liabilities :			
Deferred revenue - current	\$ 301	323	337
Temporary receipts	1,070	1,430	1,263
Receipts under custody	3,316	3,239	3,005
Others	<u>621</u>	<u>583</u>	<u>-</u>
	<u>\$ 5,308</u>	<u>5,575</u>	<u>4,605</u>
Other non-current liabilities :			
Guarantee deposits received	<u>\$ 2,077</u>	<u>2,077</u>	<u>2,077</u>

Please refer to Note.6 (14) for the details of the deferred revenue - current.

(13) Lease liability

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

	September 30, 2025	December 31, 2024	September 30, 2024
Current liabilities	<u>\$ 31,662</u>	<u>24,475</u>	<u>26,645</u>
Non-current liabilities	<u>\$ 645,920</u>	<u>525,146</u>	<u>526,106</u>

For maturity analysis, please refer to Note.6 (23) Financial Instruments.

The amounts recognized in profit or loss for leases is as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Lease liability - Interest expense	<u>\$ 1,968</u>	<u>1,519</u>	<u>5,931</u>	<u>4,575</u>
Expenses for short-term leases or low-value leases	<u>\$ 1,000</u>	<u>848</u>	<u>2,777</u>	<u>2,620</u>

Leases are recognized in the cash flow statement in the following amounts:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Total amount - Lease - Cash outflow	<u>\$ 5,641</u>	<u>5,490</u>	<u>37,351</u>	<u>36,273</u>

A. Leasing of lands and buildings

The Consolidated Company leases land, houses and buildings as business premises and storage warehouses for four to twenty-one years, some leases contain an option to extend the lease term for the same period as the original contract upon expiry of the lease term.

B. Other lease

The lease period the Consolidated Company for leasing office equipment and other occasional is one to five years, and other leases are short-term or low-value leases, the Consolidated Company chooses to apply the exemption recognition requirements and not recognize its related right-of-use assets and lease liabilities.

(14) Deferred revenue

	September 30, 2025	December 31, 2024	September 30, 2024
Current (Included in other current liabilities)	\$ 301	323	337
Non-current	<u>4,832</u>	<u>5,056</u>	<u>5,133</u>
Deferred revenue-Government subsidy	<u>\$ 5,133</u>	<u>5,379</u>	<u>5,470</u>

In 2022, the Consolidated Company obtained low-interest loans from E.SUN Bank project of NT\$1,064,100 thousand, based on the market interest rate at the time of the loan, the fair value of the loan was estimated at NT\$1,056,300 thousand. The difference between the acquired amount and the fair value of the loan is NT\$7,800 thousand, which is regarded as government low-interest loan subsidies, and recognize deferred revenue.

According to the contract, the loan is used to build factories and purchase equipment, and the subsidy income is recognized according to the use period of the asset. For the three months and the nine months ended September 30 2025 and 2024, the Consolidated Company recognizes subsidy income of NT\$78 thousand, NT\$94 thousand, NT\$246 thousand, and NT\$293 thousand respectively, which are listed under other revenue.

(15) Operating lease

The Consolidated Company leases some offices. Since substantially all the risks and rewards attached to the ownership of the underlying assets are not transferred, these lease contracts are classified as operating leases.

The maturity analysis of lease payments using the reported total undiscounted lease payments to be received in the future, is presented in as follows :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
less than one year	\$ 11,176	10,986	10,905
one to two years	11,232	11,176	11,176
two to three years	11,512	11,316	11,232
three to four years	11,569	11,512	11,512
four to five years	9,881	11,656	11,569
More than five years	<u>-</u>	<u>6,917</u>	<u>9,881</u>
Total undiscounted lease payments	<u>\$ 55,370</u>	<u>63,563</u>	<u>66,275</u>

The amount of rental revenue generated from operating leases for the three months and the nine months ended September 30, 2025 and 2024 were NT\$2,749 thousand, NT\$2,713 thousand, NT\$8,155 thousand and NT\$8,138 thousand.

(16) Employee benefits

The pension expenses under the Pension Withdrawal Scheme determined by the Consolidated Company are as follows, which have been allocated to the Labor Insurance Bureau :

	<u>Three Months Ended September 30</u>		<u>Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating cost	\$ 4,085	3,565	12,195	10,275
Selling expenses	89	83	265	231
Administrative expenses	2,335	2,299	7,000	6,521
Research and development expenses	<u>326</u>	<u>266</u>	<u>915</u>	<u>790</u>
Total	<u>\$ 6,835</u>	<u>6,213</u>	<u>20,375</u>	<u>17,817</u>

(17) Income tax

A. The details of the income tax expenses of the Consolidated Company are as follows :

	<u>Three Months Ended September 30</u>		<u>Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Income tax expense	<u>\$ 57,754</u>	<u>60,045</u>	<u>147,236</u>	<u>226,430</u>

The Consolidated Company has no income tax expenses directly recognized in equity and other comprehensive profits and losses for the nine months ended September 30, 2025 and 2024.

B. Income tax assessment situation

The profit-seeking enterprise income tax settlement declaration of the Company and its subsidiaries has been approved by the tax collection authority as follows :

	<u>Approved year</u>
Parent Company	2023
MILLENNIUM VEE HOTEL TAICHUNG	2023

(18) Capital and other equity

Except as described below, there are no significant changes in the capital and other equity of the Consolidated Company for the nine months ended September 30, 2025 and 2024. For relevant information, please refer to Note.6 (18) for the year ended December 31, 2024 consolidated financial statements.

A. Capital surplus

The Company's capital surplus balance is as follows :

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Capital surplus in excess of par-preferred stock	\$ 800,255	1,120,940	1,120,940
Treasury stock trading	<u>83,002</u>	<u>83,002</u>	<u>83,002</u>
	<u>\$ 883,257</u>	<u>1,203,942</u>	<u>1,203,942</u>

The company passed the resolution of the board of directors on February 21, 2025, and February 23, 2024, the amount of cash dividends for the 2024 and 2023 profit distribution plan in cash as capital surplus, and the distribution of dividends to owners The amount is as follows :

	<u>2024</u>		<u>2023</u>	
	<u>Allotment ratio NT\$</u>	<u>Amount</u>	<u>Allotment ratio NT\$</u>	<u>Amount</u>
Dividends distributed to owners of amount	\$ 4.00	<u>320,685</u>	2.00	<u>160,343</u>

According to the company law, capital surplus needs to make up the losses first before issuing new shares or cash with the realized capital surplus in accordance with the proportion of shareholders' original shares. The realized capital surplus referred to in the preceding paragraph includes the surplus from the issuance of stocks exceeding the par value and the income from receiving gifts. According to "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", the total amount of capital surplus that can be allocated to capital every year shall not exceed 10% of the paid-in capital.

B. Retained earnings

According to the articles of association of the company, if there is any surplus in the annual final accounts, it shall be distributed in the following order :

- (A) Pay income tax according to law.
- (B) Make up for previous year's losses.
- (C) Ten percent of the deposit is legal reserve, but this is not the case when the accumulated legal reserve has reached the paid-in capital of the company.
- (D) Set aside or reverse the special surplus when necessary.
- (E) After deducting the previous balance, the board of directors shall prepare a distribution proposal for the balance and the previous year's earnings, and submit it to the shareholders' meeting for a resolution on distribution.

The company's dividend distribution policy depends on factors such as the company's current and future investment environment, capital needs, domestic and foreign competition conditions, and capital budgets, taking into account the interests of shareholders, observing and analyzing dividends and the company's long-term financial planning, etc., according to Article 240, Item 5 of the Company Law, authorize the board of directors to have more than two-thirds of the directors present, And the resolution of more than half of the directors present shall distribute dividends and bonuses or all or part of the Legal reserve and Additional Paid-In Capita stipulated in Article 241, Paragraph 1 of the Company Law, in the form of cash distribution, and report to the shareholders meeting. The total shareholder dividend is the total distributable surplus that is the balance listed in (E) plus the undistributed surplus at the beginning of the period, choose a ratio within the range of 2.5% to 15% to prepare dividends and bonus proposals for shareholders with surplus distribution, among them, the proportion of shareholder cash dividend distribution shall not be less than 50% of the total shareholder dividend.

(a) Legal Reserve

When the company has no losses, it may, upon resolution of the shareholders' meeting, use the legal surplus to issue new shares or cash, provided that the amount exceeds 25% of the paid-in capital.

(b) Earnings Distribution

The company passed the resolution of the board of directors on February 21, 2025, and February 23, 2024, the amount of cash dividends for the 2024 and 2023 profit distribution plan, and the distribution of dividends to owners The amount is as follows :

	2024		2023	
	Allotment ratio NT\$	Amount	Allotment ratio NT\$	Amount
Dividends distributed to owners of common stock :				
Cash	\$ 8.00	<u>641,371</u>	8.00	<u>641,371</u>

(19) Earnings per share

The calculation of the Consolidated Company's basic earnings per share and fully diluted earnings per share is as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Basic earnings per share				
Net income for the period attributable to holders of common shares of the Company	<u>\$ 243,644</u>	<u>251,627</u>	<u>671,348</u>	<u>909,132</u>
Weighted average number of common shares outstanding (thousand shares)	<u>\$ 80,171</u>	<u>80,171</u>	<u>80,171</u>	<u>80,171</u>
Basic earnings per share (Unit: NT\$)	<u>\$ 3.04</u>	<u>3.14</u>	<u>8.37</u>	<u>11.34</u>

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Fully diluted earnings per share				
Net income for the period attributable to holders of ordinary shares of the Company	<u>\$ 243,644</u>	<u>251,627</u>	<u>671,348</u>	<u>909,132</u>
Weighted average number of common shares outstanding(Basic) (thousand shares)	80,171	80,171	80,171	80,171
Impact of employee stock compensation (thousand shares)	<u>2</u>	<u>2</u>	<u>8</u>	<u>10</u>
Weighted average number of common shares outstanding (thousand shares) (After adjusting for the effect of dilutive potential common shares)Impact of employee stock compensation (thousand shares)	<u>80,173</u>	<u>80,173</u>	<u>80,179</u>	<u>80,181</u>
Diluted earnings per share (Unit: NT\$)	<u>\$ 3.04</u>	<u>3.14</u>	<u>8.37</u>	<u>11.34</u>

(20) Revenue from customer contracts

A. Breakdown of revenue

<u>Major regional markets</u>	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Asia	\$ 452,694	490,972	1,461,097	1,466,532
America	103,357	135,303	375,947	346,081
Europe	131,734	128,986	387,130	404,631
Other countries	<u>4,505</u>	<u>3,486</u>	<u>11,848</u>	<u>10,096</u>
	<u>\$ 692,290</u>	<u>758,747</u>	<u>2,236,022</u>	<u>2,227,340</u>

<u>Main Product/Service Line</u>	<u>Three Months Ended September 30</u>		<u>Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Gearbox	\$ 503,985	559,900	1,658,593	1,657,435
Room and food service revenue	135,146	137,809	418,209	402,462
Others	<u>53,159</u>	<u>61,038</u>	<u>159,220</u>	<u>167,443</u>
	<u>\$ 692,290</u>	<u>758,747</u>	<u>2,236,022</u>	<u>2,227,340</u>

B. Contract balance

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Contract liabilities	<u>\$ 18,898</u>	<u>27,961</u>	<u>18,113</u>

The opening balance of contract liabilities on January 1, 2025 and 2024, the amounts recognized as revenue for the three months and the nine months ended September 30, 2025 and 2024 the company recognizes subsidy income of NT\$1,273 thousand, NT\$1,949 thousand, NT\$18,597 thousand and NT\$17,867 thousand, respectively.

(21) **Remuneration of employees and directors**

The company resolved to amend the company bylaws at the shareholders' meeting on May 23, 2025, if there is any profit in the year, no less than 0.5% (inclusive) should be appropriated as employee remuneration and no more than 1% (inclusive) should be allocated as director remuneration. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance. The recipients of the employee remuneration given in the preceding paragraph may include employees of controlled or subordinate companies who meet certain conditions, and 80% of the employee compensation should be allocated to grassroots employees based on the conditions set by the board of directors. Employee remuneration can be distributed in the form of stock (treasury stock, new stock issuance) or cash, which should be specially resolved by the board of directors and submitted to the shareholders' meeting report.

The previous bylaws stipulated that if there is any profit in the year, if there is any profit in the year, no less than 0.5% (inclusive) should be appropriated as employee remuneration and no more than 1% (inclusive) should be allocated as director remuneration. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance. There was no specific requirement to allocate a certain percentage of employee compensation to grassroots employees.

The company's estimated employee remuneration for the three months and the nine months ended September 30, 2025 and 2024 is NT\$1,521 thousand, NT\$1,572 thousand, NT\$4,131 thousand and NT\$5,723 thousand respectively, and the estimated amount of directors' remuneration are NT\$1,130 thousand, NT\$1,130 thousand, NT\$3,391 thousand and NT\$3,391 thousand respectively, it is estimated based on the company's pre-tax net profit for each period before deducting the employee and director's remuneration multiplied by the employee's remuneration and director's remuneration distribution ratio stipulated in the company's articles of association, and reported as operating costs or operating expenses for each respective period.

If there is a difference between the actual distribution situation and the estimated amount in the next year, it will be treated according to the change in accounting estimate, and the difference will be recognized as profit or loss in the next year.

The company's estimated employee remuneration for the year ended December 31, 2024 and 2023 is NT\$7,117 thousand and NT\$5,513 thousand respectively, and the estimated amount of directors' remuneration are NT\$4,522 thousand. There is no difference from the distribution situation determined by the board of directors. Relevant information can be found at the Market Observation Post System (MOPS).

(22) **Non-operating revenue and expenses**

A. Interest income

The details of the interest income of the Consolidated Company are as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposit-interest income	<u>\$ 20,669</u>	<u>19,766</u>	<u>63,872</u>	<u>116,800</u>

B. Other income

The details of the other income of the Consolidated Company are as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Government subsidy income	\$ 453	94	623	390
Rent income	3,057	3,017	9,039	9,667
Dividends income	4	6	15	13
	<u>\$ 3,514</u>	<u>3,117</u>	<u>9,677</u>	<u>10,070</u>

C. Other gains and loss

The details of other profits and losses of the Consolidated Company in are as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Foreign currency exchange profit (loss)	\$ 71,013	30,312	(11,817)	250,155
Disposal of interests in property, plant and equipment	(6)	-	(6)	-
Profits of financial asset at fair value through profit (loss)	11	(13)	1	6
Other profits	4,686	6,814	52,156	17,730
	<u>\$ 75,704</u>	<u>37,113</u>	<u>40,334</u>	<u>267,891</u>

D. Financial costs

The Consolidated Company's financial costs are detailed as follows :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Interest expense - bank loan	\$ 7	9	7	9
Interest expense -interest rate implicit in the lease	\$ 1,968	1,519	5,931	4,575
Other financial expenses	9	7	25	22
	<u>\$ 1,984</u>	<u>1,535</u>	<u>5,963</u>	<u>4,606</u>

(23) Financial instruments

Except as described below, there are no significant changes in the fair value of the Consolidated Company financial instruments and its exposure to credit risk, liquidity risk and market risk due to financial instruments. For relevant information, please refer to Note.6 (23) for the year ended December 31, 2024 consolidated financial statements.

A. Credit risk

(A) Credit risk maximum exposure amount

The carry amount of financial assets represents the maximum amount of credit exposure.

(B) Concentration of credit risk

In order to reduce the credit risk of accounts receivable, the Consolidated Company continuously evaluates the customer's financial situation, and will ask the other party to provide guarantee or guarantee when necessary. The Consolidated Company still regularly evaluates the possibility of recovering the accounts receivable and makes provision for losses, and the impairment losses are always within the management's expectations. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Consolidated Company, 44%, 36% and 48% of the accounts receivable balance are composed of several customers, so that the Consolidated Company has no significant concentration of credit risk.

(C) Credit risk of accounts receivable

Please refer to Note.6 (3) for credit risk exposure information on notes receivable and accounts receivable.

Other financial assets measured at amortized cost include other receivables, deposits and other financial assets.

The above are all financial assets with low credit risk. Therefore, the provision loss for the period is measured based on the twelve-month expected credit loss amount. The time deposits and cash equivalents held by the Consolidated Company are considered to be investment-grade. The above financial institutions are considered to have low credit risk.

There is no provision for losses for the nine months ended September 30, 2025 and 2024.

B. Liquidity risk

The following table presents the contractual maturity dates for financial liabilities, including estimated interest but excluding the effect of netting agreements.

	<u>Carry amount</u>	<u>Cash flow</u>	<u>within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>More than 5 years</u>
September 30, 2025						
Non-derivative financial liabilities						
Accounts payable	\$ 56,361	56,361	56,361	-	-	-
Other payables	295,294	295,294	295,294	-	-	-
lease liabilities (current and non-current)	677,582	755,356	39,280	39,110	120,196	556,770
Guarantee deposits received	<u>2,077</u>	<u>2,077</u>	<u>-</u>	<u>-</u>	<u>1,899</u>	<u>178</u>
	<u>\$1,031,314</u>	<u>1,109,088</u>	<u>390,935</u>	<u>39,110</u>	<u>122,095</u>	<u>556,948</u>

	Carry amount	Cash flow	within 1 year	1 to 2 years	2 to 5 years	More than 5 years
December 31, 2024						
Non-derivative financial liabilities						
Accounts payable	\$ 78,200	78,200	78,200	-	-	-
Other payables	175,786	175,786	175,786	-	-	-
lease liabilities (current and non-current)	549,621	610,632	30,248	30,315	92,266	457,803
Guarantee deposits received	<u>2,077</u>	<u>2,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,077</u>
	<u>\$ 805,684</u>	<u>866,695</u>	<u>284,234</u>	<u>30,315</u>	<u>92,266</u>	<u>459,880</u>
September 30, 2024						
Non-derivative financial liabilities						
Accounts payable	71,478	71,478	71,478	-	-	-
Other payables	163,567	163,567	163,567	-	-	-
lease liabilities (current and non-current)	552,751	615,273	32,489	30,315	92,323	460,146
Guarantee deposits received	<u>2,077</u>	<u>2,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,077</u>
	<u>\$ 789,873</u>	<u>852,395</u>	<u>267,534</u>	<u>30,315</u>	<u>92,323</u>	<u>462,223</u>

The Consolidated Company does not expect that the cash flow of maturity analysis will be significantly earlier, or the actual amount will be significantly different.

C. Market risk

(A) Currency risk

The financial assets and liabilities of the Consolidated Company exposed to significant foreign currency exchange rate risk are as follows :

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency	Exchange rate	NT\$ In Thousands	Foreign currency	Exchange rate	NT\$ In Thousands	Foreign currency	Exchange rate	NT\$ In Thousands
Financial assets									
<u>Monetary item</u>									
USD\$	\$ 19,646	30.445	598,122	4,924	32.785	161,433	7,171	31.650	226,962
EUR€	19,632	35.770	702,237	9,273	34.140	316,580	6,140	35.380	217,233
CNY¥	151,782	4.271	648,261	52,680	4.478	235,901	22,758	4.523	102,934
JPY¥	300,203	0.2058	61,782	-	-	-	-	-	-
Financial liabilities									
<u>Monetary item</u>									
CNY¥	842	4.271	3,596	3,768	4.478	16,873	2,310	4.523	10,448
AUD\$	-	-	-	720	20.390	14,681	-	-	-

The Consolidated Company's exchange rate risk mainly comes from cash and cash equivalents, accounts receivable, accounts payable and other payables denominated in foreign currencies, resulting in foreign currency exchange gains and losses during translation. On September 30, 2025 and 2024, when the New Taiwan dollar depreciated or appreciated by 0.5% relative to foreign currencies, and all other factors remained unchanged. The net profit after tax for nine months ended September 30, 2025 and 2024 will increase or decrease by NT\$8,027 thousand and NT\$2,147 thousand, respectively. The two periods of analysis are based on the same basis.

Information on the exchange gain and loss of the Consolidated Company, the net foreign currency exchange gain (loss) (including realized and unrealized), for the three months and the nine months ended September 30, 2025 and 2024 were NT\$71,013 thousand, NT\$30,312 thousand, NT\$(11,817) thousand and NT\$250,155 thousand, respectively.

(B) Interest rate risk

The Consolidated Company's financial assets and financial liabilities interest rate exposure are described in the liquidity risk management of this note. The sensitivity analysis below is based on the interest rate exposure of derivative and non-derivative instruments at the reporting date. For floating rate liabilities, the method of analysis is to assume that the amount of liabilities outstanding at the reporting date is outstanding throughout the year. The rate of change used by the Consolidated Company when reporting interest rates internally to key management personnel is a 0.5% increase or decrease in interest rates, It also represents management's assessment of the reasonably possible range of change in interest rates.

If the interest rate increases or decreases by 0.5%, and all other variables remain unchanged, the net profit after tax of the Consolidated Company for the nine months ended September 30, 2025 and 2024 will decrease or increase by NT\$13,616 thousand and NT\$5,069 thousand, respectively. The main reason is the Consolidated Company's interest rate on a term deposit.

D. Fair value

(A) Valuation techniques for financial instruments measured at fair value

Amount and fair value of the Consolidated Company's various financial assets and financial liabilities (including fair value grade information, however, if the carrying amount of a financial instrument that is not measured by fair value is a reasonable approximation of fair value, and lease liabilities, it is not required to disclose fair value information according to regulations) as follows:

		September 30, 2025			
		Fair value			
	Carry Amount	First level	Second level	Third level	Total
Financial assets measured at fair value					
Mandatory financial assets at fair value through profit or loss	\$ 184	184	-	-	184
Financial assets measured at amortized cost					
Cash and cash equivalents	\$2,037,424	-	-	-	-
Notes receivable and Accounts receivable (Include related parties)	233,084	-	-	-	-
Other receivables	12,669	-	-	-	-
Guarantee deposits paid	2,079	-	-	-	-
Other financial assets - current	<u>2,817,317</u>	-	-	-	-
Total	<u>\$5,102,757</u>	<u>184</u>	<u>-</u>	<u>-</u>	<u>184</u>
Financial liabilities measured at amortized cost					
Accounts payable	\$ 56,361	-	-	-	-
Other payables	295,294	-	-	-	-
Guarantee deposits received	2,077	-	-	-	-
Leased liabilities (current + non-current)	<u>677,582</u>	-	-	-	-
Total	<u>\$1,031,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	December 31, 2024				
	Carry amount	Fair value			Total
		First level	Second level	Third level	
Financial assets measured at fair value					
Mandatory financial assets at fair value through profit or loss	\$ 183	183	-	-	183
Financial assets measured at amortized cost					
Cash and cash equivalents	\$3,387,458	-	-	-	-
Notes receivable and Accounts receivable (Include related parties)	203,490	-	-	-	-
Other receivables	6,529	-	-	-	-
Guarantee deposits received	2,069	-	-	-	-
Other financial assets - current	<u>1,719,263</u>	-	-	-	-
Total	<u>\$5,318,992</u>	<u>183</u>	<u>-</u>	<u>-</u>	<u>183</u>
Financial liabilities measured at amortized cost					
Accounts payable	\$ 78,200	-	-	-	-
Other payables	175,786	-	-	-	-
Guarantee deposits received	2,077	-	-	-	-
Leased liabilities (current + non-current)	<u>549,621</u>	-	-	-	-
Total	<u>\$ 805,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	September 30, 2024				
	Carry amount	Fair value			Total
		First level	Second level	Third level	
Financial assets measured at fair value					
Mandatory financial assets at fair value through profit or loss	\$ 193	193	-	-	193
Financial assets measured at amortized cost					
Cash and cash equivalents	\$3,886,483	-	-	-	-
Notes receivable and Accounts receivable (Include related parties)	258,047	-	-	-	-
Other receivables	9,580	-	-	-	-
Guarantee deposits paid	2,019	-	-	-	-
Other financial assets - current	847,016	-	-	-	-
Total	\$5,003,338	193	-	-	193
Financial liabilities measured at amortized cost					
Accounts payable	\$ 71,478	-	-	-	-
Other payables	163,567	-	-	-	-
Guarantee deposits received	2,077	-	-	-	-
Leased liabilities (current + non-current)	552,751	-	-	-	-
Total	\$ 789,873	-	-	-	-

(B) Fair value assessment techniques for financial instruments not measured at fair value.

The methods and assumptions used by the Consolidated Company to estimate the instruments not measured at fair value are as follows :

For financial assets and liabilities measured at cost after amortization, if there is transaction or quotation information from market makers, the latest transaction price and quotation information shall be used as the basis for evaluating the fair value. If there is no market value for reference, it shall be estimated by evaluation method. The estimates and assumptions used in the valuation method are the discounted present value of the cash flows to estimate the fair value.

(C) Fair value evaluation techniques for measuring financial instruments at fair value

Non-derivative financial instruments, if there is a public quotation in an active market for a financial instrument, the fair value shall be determined based on the public quotation in the active market. The market prices announced by major exchanges and central government bond over-the-counter trading centers that are judged to be popular bonds are the basis for the fair value of listed (over-the-counter) equity instruments and debt instruments with open quotations in active markets.

If public quotations of financial instruments can be obtained timely and frequently from exchanges, brokers, underwriters, industry associations, pricing service agencies or competent authorities, and the prices represent actual and frequently occurring fair market transactions, the financial instruments There are open quotations in the active market, if the above conditions are not met, the market is considered inactive. In general, wide bid-ask spreads, large increases in bid-ask spreads, or low volume are indicators of market inactivity.

Except for the above-mentioned financial instruments with active markets, the fair values of other financial instruments are obtained by evaluation techniques or by referring to quotations from counterparties. The fair value obtained through evaluation techniques can be calculated by referring to the current fair value of other financial instruments with substantially similar conditions and characteristics, the net asset value method or other evaluation techniques, including the use of market information available on the consolidated balance sheet date and get.

(D) Transfer between the first level and the second level.

There are no transfers for the nine months ended September 30, 2025 and 2024.

(24) Financial risk management

There are no material changes to the financial risk management objectives and policies of the Consolidated Company as disclosed in Note.6 (24) for the year ended December 31, 2024 consolidated financial statements.

(25) Capital management

The capital management objectives, policies and procedures of the Consolidated Company are consistent with those disclosed in the 2024 consolidated financial statements. In addition, there are no significant changes in the summary quantitative information of capital management items and those disclosed in the 2024 consolidated financial statements. For relevant information, please refer to Note.6 (25) for the year ended December 31, 2024 consolidated financial statements.

(26) Investing and financing activities not affecting the current cash flow

The Consolidated Company's non-cash transaction investment activities for the nine months ended September 30, 2025 and 2024 are the right-of-use assets obtained by leasing; please refer to Note.6 (8).

The reconciliation of liabilities from financing activities is as follows :

	January 1, 2025	Cash flow	Non-cash changes			September 30, 2025
			Increase in this period	Deferred revenue change	Lease payment change	
Lease liabilities (current + non-current)	<u>\$ 549,621</u>	<u>(28,643)</u>	<u>156,601</u>	<u>-</u>	<u>3</u>	<u>677,582</u>

	January 1, 2024	Cash flow	Non-cash changes			September 30, 2024
			Increase in this period	Deferred revenue change	Lease payment change	
Lease liabilities (current + non-current)	<u>\$ 579,059</u>	<u>(29,078)</u>	<u>-</u>	<u>-</u>	<u>2,770</u>	<u>552,751</u>

7. Related-party transactions

(1) Names and relationship with the Consolidated Company

During the period covered by this consolidated financial statements, the related parties who had transactions with the Consolidated Company are as follows :

Name of related party	Relationship with the Consolidated Company
APEX DYNAMICS,INC. - Shanghai	Other Related parties - The chairman of the company is a major shareholder of the company's legal person shareholders
APEX GENERAL INC.	Other Related parties - The chairman of the company is a major shareholder of the company's legal person shareholders

(2) Significant transactions with related parties

A. Operating revenue

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

Related party category/Name	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Other related parties :				
APX DYNAMICS,INC. -Shanghai	\$ 58,926	77,326	229,225	230,646
APEX GENERAL INC.	<u>12,826</u>	<u>-</u>	<u>17,809</u>	<u>-</u>
	<u>\$ 71,752</u>	<u>77,326</u>	<u>247,034</u>	<u>230,646</u>

The selling price and sales conditions of the Consolidated Company to other related parties are not significantly different from those of general sales customers. Receivables between related parties have not received collateral, and after assessment, no provision for impairment loss is required (loss on bad debts).

B. Accounts receivable - related parties

The details of the Consolidated Company's receivables from related parties are as follows :

Account title	Related party category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	Other related parties : APX DYNAMICS,INC. - Shanghai	\$ 23,482	29,065	29,022
Accounts receivable	APEX GENERAL INC.	<u>5,012</u>	<u>-</u>	<u>-</u>
		<u>\$ 28,494</u>	<u>29,065</u>	<u>29,022</u>

C. Major management transaction

The remuneration of major management personnel includes :

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 2,747	3,655	9,743	10,453
Separation benefits	75	76	227	225
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Cash-settled share-based Payment	-	-	-	-
	<u>\$ 2,822</u>	<u>3,731</u>	<u>9,970</u>	<u>10,678</u>

8. Pledged assets

The book value of the pledged assets provided by the Consolidated Company is as follows :

Asset	Pledge guarantee subject	September 30, 2025	December 31, 2024	September 30, 2024
Property, plant and equipment	Bank loan	\$ 2,742,140	2,790,836	2,813,801
Other financial asset - current	Issuance of meal coupons, accommodation and fitness membership fees, etc.	13,127	15,676	13,436
Other financial asset - current	Guarantee deposits	<u>49,190</u>	<u>48,586</u>	<u>16,580</u>
		<u>\$ 2,804,457</u>	<u>2,855,098</u>	<u>2,843,817</u>

9. Significant contingent liabilities and unrecognized contractual commitments

(1) The significant unrecognized contractual commitments are as follows :

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	<u>\$ 35,419</u>	<u>6,395</u>	<u>5,852</u>

(2) Contingent liabilities : None

10. Losses due to major disasters : None

11. Subsequent events : None

12. Other

(1) Summary of current-period employee benefits, depreciation, and amortization, by function, is as follows :

By function By item	Three Months Ended September 30 2025			Three Months Ended September 30 2024		
	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	111,570	55,240	166,810	109,018	56,278	165,296
Labor and health insurance	11,721	5,938	17,659	10,327	6,282	16,609
Pension	4,085	2,750	6,835	3,565	2,648	6,213
Other employee benefits	3,726	1,386	5,112	3,543	1,316	4,859
Depreciation	44,231	26,082	70,313	46,794	26,233	73,027
Amortization	-	81	81	-	140	140

By function By item	Nine Months Ended September 30 2025			Nine Months Ended September 30 2024		
	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	329,140	166,929	496,069	333,071	169,349	502,420
Labor and health insurance	35,095	18,534	53,629	30,102	17,693	47,795
Pension	12,195	8,180	20,375	10,275	7,542	17,817
Other employee benefits	10,647	3,924	14,571	10,545	3,912	14,457
Depreciation	135,605	78,259	213,864	142,443	79,260	221,703
Amortization	-	278	278	-	521	521

(2) Operability

The Consolidated Company's operations are not affected by seasonal or cyclical factors.

13. Other disclosures:

(1) Information on significant transactions

For the nine months ended September 30, 2025, in accordance with the provisions of the Financial Reporting Standards for Securities Issuers, the Consolidated Company should re-disclose the relevant information on major transactions as follows :

A. Fund loan to others :

NO.	Financing Company	Name of borrower	Account Name	Related Party	Maximum balance for the period	Ending balance	Amount actually drawn	Interest rate	Purpose	Transaction amounts	Reason for financing	Allowance for Bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	APEX DYNAMICS, INC	MILLENNIUM VEE HOTEL TAICHUNG	Other receivables-related party	Yes	1,300,000	650,000	345,000 (Note3)	1.38%~1.91%	short-term financing	-	Operation Requirements	-	None	-	3,959,402 (Note 1)	3,959,402 (Note 2)

Note.1 : In accordance with the Company's operating procedures for lending funds to others, the maximum loan amount for individual objects should not exceed 40% of the company's net worth.

Note.2 : According to the Company's operating procedures for lending funds to others, the total amount of funds loaned should not exceed 40% of the net value of the Company.

Note.3 : Transactions between subsidiaries included in the consolidated financial statements have been eliminated when preparing the consolidated financial statements.

B. Endorsement for others : None.

C. Securities held at the end of the period (excluding investment in subsidiaries, affiliated enterprises and joint venture interests) :

Unit : 1000 shares

Held Company Name	Category and name of security	Relationship with Issuer	Account subject	End of period				Note
				Shares	Carrying amount	Shareholding ratio	Fair value	
APEX DYNAMICS, INC.	Fund - Yuanta Taiwan High Dividend Quality Leading Fund	-	Financial asset flows at fair value through profit or loss	5	184	- %	184	

D. Purchases and sales of goods with related parties amount to NT\$100 million or 20% or more of the paid-in capital :

Company Name	Related Party	Nature of Relationships	Transaction situation				Abnormal Transaction		Notes receivable (payment), Accounts receivable		Note
			Purchases/(Sales)	Amount	Ratio of total	Credit period	price	Credit period	Balance	Ratio of total	
APEX DYNAMICS, INC.	APEX DYNAMICS, INC - Shanghai	Other related parties	(sales)	(229,225)	(12.80)%	Monthly End from 10~40	-	(Note 1)	23,482	10.50%	

Note 1 : The transaction price and collection period of the related parties are not significantly different from ordinary customers.

E. Receivables from related parties amount to NT\$100 million or more than 20% of the paid-in capital :

Company Name	Related Party	Nature of Relationships	Ending Balance	Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance loss amount
					Amount	Action Taken		
APEX DYNAMICS, INC.	MILLENNIUM VEE HOTEL TAICHUNG	Subsidiary	345,000 (Note.2)	- %	-	-	(Note.1)	-

Note.1 : As of October 30, 2025

Note.2 : It has been written off in the consolidated financial statements.

F. Business relationship and important transactions between parent company and subsidiary company :

NO.	Company Name	Transaction object	Relation	Transaction status			
				Subject	Amount	Transaction terms	Ratio to consolidated total operating income or total assets
0	APEX DYNAMICS, INC.	MILLENNIUM VEE HOTEL TAICHUNG	1	Other receivables - related parties	345,000	Note.3	3.14%

Note.1 : The way to fill in the serial number is as follows:

- (a) 0 represents the parent company.
- (b) Subsidiaries are numbered sequentially starting from the number 1 according to the company.

Note.2 : The type of relationship with the trader is marked as follows:

- (a) Parent company to subsidiary.
- (b) Subsidiary to parent Company.
- (c) Subsidiary to Subsidiary.

Note.3 : The terms of the transaction with related parties shall be negotiated by both parties.

Note.4 : It has been fully written off when preparing the consolidated financial statements.

(2) Information about reinvestment business (Invested companies not including China) :

The Consolidated Company's reinvestment business information for the nine months ended September 30, 2025 is as follows :

Unit of shares: : share

Company Name	Counterparty	Area	Industry	Original investment amount		End of the period			Net Income (Loss) of the Investee	Share of Profit (Loss) of Investee	Note
				Sep,30 2025	Dec,31 2024	Shares	Ratio	Carrying Amount			
APEX DYNAMICS, INC.	MILLENNIUM VEE HOTEL TAICHUNG	Taiwan	Hotel	1,084,602	1,084,602	70,000,000	100%	957,110	51,207	51,207	Note.1

Note.1 : It has been written off in the consolidated financial statements.

(3) Information on investment in mainland China : None.

14. Segment information :

The operating department information and adjustments of the Consolidated Company are as follows :

	<u>Precision machinery</u>	<u>Hotel and Restaurant Service</u>	<u>Adjustments and write-offs</u>	<u>Total</u>
Three Months Ended September 30, 2025				
Revenue:				
Revenue from external customers	\$ 547,046	145,244	-	692,290
Segment revenue	-	1,785	(1,785)	-
Total revenue(income)	<u>\$ 547,046</u>	<u>147,029</u>	<u>(1,785)</u>	<u>692,290</u>
Reportable segment profit or loss	<u>\$ 230,720</u>	<u>12,924</u>	<u>-</u>	<u>243,644</u>
Three Months Ended September 30, 2024				
Revenue:				
Revenue from external customers	\$ 610,979	147,768	-	758,747
Segment revenue	-	13	(13)	-
Total revenue(income)	<u>\$ 610,979</u>	<u>147,781</u>	<u>(13)</u>	<u>758,747</u>
Reportable segment profit or loss	<u>\$ 239,127</u>	<u>12,500</u>	<u>-</u>	<u>251,627</u>
Nine Months Ended September 30, 2025				
Revenue:				
Revenue from external customers	\$ 1,790,841	445,181	-	2,236,022
Segment revenue	-	2,037	(2,037)	-
Total revenue(income)	<u>\$ 1,790,841</u>	<u>447,218</u>	<u>(2,037)</u>	<u>2,236,022</u>
Reportable segment profit or loss	<u>\$ 620,141</u>	<u>51,207</u>	<u>-</u>	<u>671,348</u>
Nine Months Ended September 30, 2024				
Revenue:				
Revenue from external customers	\$ 1,799,696	427,644	-	2,227,340
Segment revenue	-	181	(181)	-
Total revenue(income)	<u>\$ 1,799,696</u>	<u>427,825</u>	<u>(181)</u>	<u>2,227,340</u>
Reportable segment profit or loss	<u>\$ 866,769</u>	<u>42,363</u>	<u>-</u>	<u>909,132</u>