MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

June 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Merry Electronics Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Merry Electronics Co., Ltd. and subsidiaries (the "Group") as on June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and six months ended, as well as the related consolidated statements of changes in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4 (3) and 6 (6), the financial statements of certain insignificant consolidated subsidiaries and certain investments accounted for using the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT$8,869,386 thousand and NT$6,396,860 thousand, constituting 23% and 17% of the consolidated total assets, and total liabilities of NT$3,497,648 thousand and NT$2,631,239 thousand, constituting 15% and 12% of the consolidated total liabilities as at June 30, 2025 and 2024, respectively, and reflect total revenue of NT$871,864 thousand, NT$529,160 thousand, NT$1,394,912 thousand and NT$850,079 thousand, constituting 8%, 5%, 7% and 5% of the consolidated revenues for the three months and six months then ended, respectively, and total comprehensive income (loss) of NT$55,760 thousand, NT$296,632 thousand, NT$310,372 thousand and NT$470,604 thousand, constituting (4%), 46%, (38%) and 37% of the consolidated total comprehensive income for the three months and six months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and certain investments accounted for using the equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as on June 30, 2025 and 2024, and of its consolidated financial performance for the three months and six months then ended, and its consolidated cash flows for the six months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

Liu, Mei-Lan
Hsu, Chien-Ye

For and on behalf of PricewaterhouseCoopers, Taiwan
July 24, 2025

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2025 and 2024 were reviewed, not audited)

	Assets	Notes	June 30, 2025		December 31, 2024		June 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$ 10,001,604	26	$ 8,586,894	22	$ 8,838,146	24
1110	Financial assets at fair value through profit or loss - current	6 (2)	893,221	2	656,476	2	175,926	1
1120	Current financial assets at fair value through other comprehensive income		108,456	-	105,910	-	104,560	-
1136	Current financial assets at amortized cost		341,348	1	169,820	1	163,580	1
1170	Accounts receivable, net	6 (3) (4)	8,532,985	22	11,234,447	29	8,987,422	24
1180	Accounts receivable due from related parties, net	7 (2)	594,749	2	475,022	1	389,806	1
1200	Other receivables		275,138	1	75,718	-	459,973	1
1210	Other receivables – related parties	7 (2)	137,291	-	307,185	1	315,491	1
130X	Inventories	6 (5)	6,013,971	15	4,858,985	12	5,174,272	14
1470	Other current assets		446,610	1	435,201	1	487,089	1
11XX	**Current Assets**		27,345,373	70	26,905,658	69	25,096,265	68
	Non-current assets							
1510	Financial assets at fair value through profits or loss – non-current	6 (2)	42,983	-	43,075	-	45,457	-
1517	Non-current financial assets at fair value through other comprehensive income		192,230	1	232,210	1	245,433	1
1535	Financial assets at amortized cost – non-current		433,327	1	469,589	1	535,394	1
1550	Investments accounted for under equity method	6 (6)	5,555,981	14	5,914,755	15	5,726,699	16
1600	Property, plant and equipment	6 (7)	4,307,576	11	4,365,774	11	3,877,915	11
1755	Right-of-use assets		154,807	-	189,394	1	221,915	1
1780	Intangible assets	6 (8)	743,354	2	778,132	2	866,625	2
1840	Deferred income tax assets		350,136	1	154,583	-	155,284	-
1900	Other non-current assets		78,909	-	66,751	-	112,363	-
15XX	**Non-current assets**		11,859,303	30	12,214,263	31	11,787,085	32
1XXX	**Total assets**		$ 39,204,676	100	$ 39,119,921	100	$ 36,883,350	100

(Continued)

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2025 and 2024 were reviewed, not audited)

	Liabilities and Equity	Notes	June 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current liabilities							
2100	Short-term borrowing	6 (9)	$ 2,121,047	5	$ 366,659	1	$ 1,824,701	5
2120	Financial liabilities at fair value through profit or loss – current	6 (2)	51,726	-	-	-	5	-
2130	Contract liabilities – current	6 (18)	274,596	1	318,054	1	331,503	1
2170	Accounts payable		7,672,389	20	7,087,414	18	6,712,004	18
2180	Accounts payable – related parties	7 (2)	2,288,033	6	3,335,965	8	4,124,867	11
2200	Other payables	6 (10)	3,420,240	9	1,606,089	4	2,216,461	6
2220	Other payables – related parties	7 (2)	106,236	-	112,380	-	38,046	-
2230	Current income tax liabilities		275,997	1	323,977	1	332,377	1
2320	Current portion of long-term liabilities	6 (11)(12)	152,691	-	282,505	1	1,574,839	4
2399	Other current liabilities		700,126	2	667,888	2	631,245	2
21XX	**Current Liabilities**		17,063,081	44	14,100,931	36	17,786,048	48
	Non-current liabilities							
2527	Contract liabilities – non-current	6 (18)	437,480	1	462,049	1	534,853	2
2530	Bonds payable	6 (11)	2,883,908	8	2,856,278	7	-	-
2540	Long-term borrowings	6 (12)	136,211	-	242,897	1	846,229	2
2570	Deferred income tax liabilities		2,028,385	5	2,153,548	6	1,967,219	6
2640	Net defined benefit liability – non-current		21,120	-	23,888	-	30,361	-
2670	Other non-current liabilities		68,089	-	86,963	-	89,940	-
25XX	**Non-current liabilities**		5,575,193	14	5,825,623	15	3,468,602	10
2XXX	**Total liabilities**		22,638,274	58	19,926,554	51	21,254,650	58
	Equity attributable to owners of parent							
	Share capital	6 (14)						
3110	Common stock		2,534,894	7	2,534,914	6	2,363,498	6
	Capital surplus	6 (15)						
3200	Capital surplus		8,426,722	21	8,422,431	21	6,485,539	17
	Retained earnings	6 (16)						
3310	Legal reserve		2,759,561	7	2,549,941	7	2,549,941	7
3320	Special reserve		462,936	1	973,012	3	973,012	3
3350	Unappropriated retained earnings		3,107,397	8	4,306,799	11	3,014,861	8
	Other equity interest	6 (17)						
3400	Other equity interest		(1,855,154)	(5)	(768,252)	(2)	(757,262)	(2)
31XX	**Equity attributable to owners of the parent**		15,436,356	39	18,018,845	46	14,629,589	39
36XX	**Non-controlling interest**	4 (3)	1,130,046	3	1,174,522	3	999,111	3
3XXX	**Total equity**		16,566,402	42	19,193,367	49	15,628,700	42
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant events after the balance sheetdate							
3X2X	**Total liabilities and equity**		$ 39,204,676	100	$ 39,119,921	100	$ 36,883,350	100

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(Reviewed, Unaudited)

			Three months ended June 30				Six months ended June 30			
			2025		2024		2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6 (18) and 7 (2)	$ 10,326,562	100	$ 10,294,178	100	$ 19,184,746	100	$ 18,647,650	100
5000	Operating costs	6 (5) and 7 (2)	(9,117,420)	(88)	(8,941,312)	(87)	(16,880,945)	(88)	(16,245,087)	(87)
5900	Net operating margin		1,209,142	12	1,352,866	13	2,303,801	12	2,402,563	13
	Operating expenses	6 (21)(22)								
6100	Selling expenses		(115,343)	(1)	(115,014)	(1)	(232,792)	(1)	(221,703)	(1)
6200	General and administrative expenses		(286,784)	(3)	(293,669)	(3)	(577,381)	(3)	(578,988)	(3)
6300	Research and development expenses		(562,467)	(6)	(505,471)	(5)	(1,141,910)	(6)	(980,861)	(6)
6450	Expected credit impairment loss	12 (2)	(508)	-	(30,630)	-	(3,348)	-	(32,627)	-
6000	Total operating expenses		(965,102)	(10)	(944,784)	(9)	(1,955,431)	(10)	(1,814,179)	(10)
6900	Operating profit		244,040	2	408,082	4	348,370	2	588,384	3
	Non-operating income and expenses									
7100	Interest income		70,078	1	77,219	1	143,536	1	129,522	1
7010	Other income	6 (19)	63,560	1	67,451	-	92,561	-	139,229	1
7020	Other gains and losses	6 (20)	(464,422)	(5)	101,950	1	(343,055)	(2)	235,269	1
7050	Finance costs		(22,864)	-	(26,510)	-	(44,796)	-	(50,805)	-
7060	Share of profit of associates and joint ventures accounted for under the equity method	6 (6)	156,574	1	153,621	1	340,814	2	271,131	1
7000	Total non-operating income and expenses		(197,074)	(2)	373,731	3	189,060	1	724,346	4
7900	**Profit before income tax**		46,966	-	781,813	7	537,430	3	1,312,730	7
7950	Income tax expense	6 (23)	58,825	1	(207,686)	(2)	(33,620)	-	(327,249)	(2)
8200	**Profit for the period**		$ 105,791	1	$ 574,127	5	$ 503,810	3	$ 985,481	5

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(Reviewed, Unaudited)

	Items	Notes	Three months ended June 30 2025 AMOUNT	%	Three months ended June 30 2024 AMOUNT	%	Six months ended June 30 2025 AMOUNT	%	Six months ended June 30 2024 AMOUNT	%
	Other comprehensive income									
	Components of other comprehensive income that will not be reclassified to profit or loss									
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income, net	6 (17)	($ 19,730)	-	($ 7,217)	-	($ 25,759)	-	$ 6,465	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6 (6) (17)	-	-	(129)	-	-	-	(129)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6 (23)	2,017	-	(541)	-	1,792	-	(1,760)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(17,713)	-	(7,887)	-	(23,967)	-	4,576	-
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations	6 (17)	(1,041,252)	(10)	58,163	1	(870,891)	(4)	227,099	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using the equity method – components of other comprehensive income that will be reclassified to profit or loss	6 (6) (17)	(824,352)	(8)	42,926	-	(704,404)	(4)	147,433	1
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6 (23)	327,131	3	(24,834)	-	272,064	1	(75,509)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		(1,538,473)	(15)	76,255	1	(1,303,231)	(7)	299,023	2
8300	**Total other comprehensive income (loss) for the period**		($ 1,556,186)	(15)	$ 68,368	1	($ 1,327,198)	(7)	$ 303,599	2
8500	**Total comprehensive(loss) for the period**		($ 1,450,395)	(14)	$ 642,495	6	($ 823,388)	(4)	$ 1,289,080	7
	Profit (loss), attributable to:									
8610	Owners of parent		$ 2,622	-	$ 491,626	4	$ 356,119	2	$ 856,738	4
8620	Non-controlling interest		103,169	1	82,501	1	147,691	1	128,743	1
	Total profit (loss) for the period		$ 105,791	1	$ 574,127	5	$ 503,810	3	$ 985,481	5
	Comprehensive income attributable to:									
8710	Owners of parent		($ 1,373,303)	(13)	$ 565,506	5	($ 796,640)	(4)	$ 1,151,045	6
8720	Non-controlling interest		(77,092)	(1)	76,989	1	(26,748)	-	138,035	1
	Total comprehensive income (loss)		($ 1,450,395)	(14)	$ 642,495	6	($ 823,388)	(4)	$ 1,289,080	7
	Basic earnings per share	6 (24)								
9750	Total basic earnings per share		$ 0.01		$ 2.24		$ 1.43		$ 3.94	
	Diluted earnings per share	6 (24)								
9850	Total diluted earnings per share		$ 0.01		$ 2.02		$ 1.38		$ 3.51	

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Equity attributable to owners of the parent: Share capital common stock	Capital surplus-additional paid-in capital	Legal reserve	Special reserve	Unappropriated Retained earnings	Other equity interest	Total	Non-Controlling interest	Total equity
Six months ended June 2024										
Balance at January 1,2024		$ 2,193,163	$ 4,872,974	$ 2,412,390	$ 768,186	$ 3,583,885	($ 1,209,351)	$ 12,621,247	$ 861,076	$ 13,482,323
Profit (loss) for the period		-	-	-	-	856,738	-	856,738	128,743	985,481
Other comprehensive income for the period		-	-	-	-	-	294,307	294,307	9,292	303,599
Total comprehensive income (loss) for the period		-	-	-	-	856,738	294,307	1,151,045	138,035	1,289,080
Appropriation and distribution of 2023 retained earnings	6 (16)									
Legal reserve		-	-	137,551	-	(137,551)	-	-	-	-
Special reserve		-	-	-	204,826	(204,826)	-	-	-	-
Cash dividends		-	-	-	-	(1,030,914)	-	(1,030,914)	-	(1,030,914)
Convertible bonds converted into common shares	6 (11)(14)	172,430	1,633,776	-	-	-	-	1,806,206	-	1,806,206
Share-based payments	6 (13)(14)	(2,095)	(19,668)	-	-	-	80,437	58,674	-	58,674
Equity instruments at fair value through other comprehensive income reclassified to investments accounted for using equity method		-	-	-	-	(52,471)	52,471	-	-	-
Recognition of change in equity of associates in proportion to the Group's ownership	6(6)	-	329	-	-	-	2,816	3,145	-	3,145
Disposal of investments accounted for using equity method		-	(1,872)	-	-	-	22,058	20,186	-	20,186
Balance at June 30, 2024		$ 2,363,498	$ 6,485,539	$ 2,549,941	$ 973,012	$ 3,014,861	($ 757,262)	$ 14,629,589	$ 999,111	$ 15,628,700
Six months ended June 2025										
Balance at January 1,2025		$ 2,534,914	$ 8,422,431	$ 2,549,941	$ 973,012	$ 4,306,799	($ 768,252)	$ 18,018,845	$ 1,174,522	$ 19,193,367
Profit (loss) for the period		-	-	-	-	356,119	-	356,119	147,691	503,810
Other comprehensive income for the period		-	-	-	-	-	(1,152,759)	(1,152,759)	(174,439)	(1,327,198)
Total comprehensive income (loss) for the period		-	-	-	-	356,119	(1,152,759)	(796,640)	(26,748)	(823,388)
Appropriation and distribution of 2024 retained earnings	6 (16)									
Legal reserve		-	-	209,620	-	(209,620)	-	-	-	-
Special reserve		-	-	-	(510,076)	510,076	-	-	-	-
Cash dividends		-	-	-	-	(1,850,505)	-	(1,850,505)	-	(1,850,505)
Share-based payments	6 (13)(14)	(20)	(141)	-	-	-	65,857	65,696	-	65,696
Recognition of change in equity of associates in proportion to the Group's ownership	6 (6)	-	4,824	-	-	-	-	4,824	-	4,824
Changes in non-controlling interests	6(25)	-	(392)	-	-	(5,472)	-	(5,864)	(17,728)	(23,592)
Balance at June 30, 2025		$ 2,534,894	$ 8,426,722	$ 2,759,561	$ 462,936	$ 3,107,397	($ 1,855,154)	$ 15,436,356	$ 1,130,046	$ 16,566,402

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Six months ended June 30 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 537,430	$ 1,312,730
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense-property, plants and equipment	6 (7)(21)	294,207	289,857
Depreciation expense - right-of-use assets	6 (21)	60,648	60,876
Amortization	6 (8)(21)	37,189	49,545
Expected credit impairment loss	12 (2)	3,348	32,627
Finance costs		42,431	47,418
Interest expense-lease liability		2,365	3,388
Loss (gain) on financial assets or liabilities at fair value through profit or loss		(2,605)	(7,763)
Share of profit of associates and joint ventures accounted for using equity method	6 (6)	(340,814)	(271,131)
Compensation cost of employee restricted shares	6 (13)	65,696	58,674
Loss (gain) on disposal of property, plant and Equipment	6 (20)	(7,612)	11,555
Loss (gain) on disposal of investments	6 (20)	(3,379)	23,412
Interest income		(143,536)	(129,522)
Deferred income of government grants		-	(154)
Unrealized foreign exchange gains		396,088	(178,132)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets/liabilities mandatorily measured at fair value through profit or loss		26,087	(1,726)
Accounts receivable (including related parties)		1,527,572	472,295
Other receivables (including related parties)		74,020	3,547
Inventories		(1,615,033)	(1,324,188)
Other current assets		(35,345)	(6,940)
Changes in operating liabilities			
Accounts payable		1,412,743	984,739
Accounts payable － related parties		(896,199)	979,221
Other payables		(355,005)	(183,231)
Other payables － related parties		(6,078)	(27,899)
Contract liabilities		(67,087)	(26,284)
Other current liabilities		56,811	91,310
Net defined benefit liability － non-current		(2,767)	(5,693)
Cash inflow generated from operations		1,061,175	2,258,531
Interest received		137,082	123,783
Interest paid		(39,046)	(46,439)
Income taxes paid		(112,628)	(82,062)
Net cash inflows generated from operating activities		1,046,583	2,253,813

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MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Six months ended June 30 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in financial assets mandatorily measured at fair value through profit or loss		$ 575,777	$ 388,847
Increase in financial assets mandatorily measured at fair value through profit or loss		(780,000)	-
Increase in financial assets at amortized cost- current		(208,208)	-
Decrease in financial assets at amortized cost- current		-	372,373
Increase in financial assets at amortized cost － non-current		(173,774)	(100,855)
Decrease in financial assets at amortized cost － non-current		173,774	-
Acquisition of property, plant and equipment	6 (26)	(502,365)	(157,494)
Proceeds from disposal of property, plant and equipment		74,118	9,715
Acquisition of intangible assets		(5,893)	(5,721)
Decrease in other non - current assets		6,254	13,189
Decrease in guarantee deposits paid		4,125	4,244
Net cash flows used in investing activities		(836,192)	524,298
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6 (27)	1,795,926	682,645
Decrease in short-term borrowings	6 (27)	(9,983)	-
Repayment of principal portion of lease liabilities	6 (27)	(66,161)	(54,388)
Decrease in long-term borrowings	6 (27)	(226,666)	(224,053)
(Decrease) increase in other non-current liabilities	6 (27)	(13,796)	11,841
Changes in non-controlling interests	4 (3) and 6 (25)	(23,592)	-
Net cash flows used in financing activities		1,455,728	416,045
Effect of change in foreign currency exchange		(251,409)	117,268
Net increase in cash and cash equivalents		1,414,710	3,311,424
Cash and cash equivalents at beginning of period		8,586,894	5,526,722
Cash and cash equivalents at end of period		$ 10,001,604	$ 8,838,146

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(REVIEWED, UNAUDITED)

1. HISTORY AND ORGANISATION

Merry Electronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on December 24, 1975. The Company and its subsidiaries (collectively referred here in as the "Group") are primarily engaged in manufacturing, processing, repairing, sales of electric appliance and audiovisual electric products, telecommunication equipment and apparatus electronic parts and components, computers and computing peripheral equipment, restrained telecom radio frequency equipment and medical appliances; planning, design, input as well as output of service items' equipment; production as well as marketing management consultant of service items' relevant business; and all business items that are not prohibited or restricted by law, except those that are subject to special approval. The Company's shares were listed on the Taipei Exchange since August 1998 and transferred to the Taiwan Stock Exchange starting September 2000 with approval from the competent authority. The Company merged with its subsidiaries, Huges Hi-Tech Inc. and Biotest Medical Corporation, on September 1, 2005 and October 29, 2021, respectively. The Company was the surviving company while Huges Hi-Tech Inc. and Biotest Medical Corporation were the dissolved companies.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on July 24, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Impact on the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

(2) Impact on new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'- the amendments to the partial content	January 1, 2026

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

(3) Impact on IFRS issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'- the amendments to the partial content	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17,'Insurance contracts'	January 1, 2023
Amendments to IFRS 17,'Initial application of IFRS 17 and IFRS 9 –comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes. The quantitative impact will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets and liabilities at fair value through other comprehensive income measured at fair value.

(c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

Basis for preparation for the current period financial statements and the 2024 consolidated financial statements is the same.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business Activities	June 30, 2025	December 31, 2024	June 30, 2024	Description
MEHO	Merry Electronics (HK) Co., Ltd. (MEST)	Sales of the same products as the Company.	100.00%	100.00%	100.00%	
MEHO	Merry Electronics (Thailand) Co., Ltd. (METC)	The same main business as the Company.	99.99%	99.99%	99.99%	NOTE 1

Name of investor	Name of subsidiary	Main business Activities	Ownership (%) June 30, 2025	December 31, 2024	June 30, 2024	Description
MEHO	Merry Electronics (U.S.A.) Co., Ltd. ("MECA")	Agency selling microphone and security system manufactured by affiliates.	99.90%	99.90%	99.90%	NOTE 1
MEHO	Danny Dynamics Limited ("DDBV")	Equity investments.	100.00%	100.00%	100.00%	
MEHO	Merry Electronics (Singapore) Pte. Ltd. ("MESG")	Sales of the same products as the Company.	100.00%	100.00%	100.00%	
MEHO	Merry Healthcare Co., LTD. ("MHKY")	Equity investments.	100.00%	100.00%	100.00%	NOTE 1
MEHO	Asian Elite International Ltd. ("MSCS")	Manufacturing and sales of speaker and amplifier.	100.00%	100.00%	100.00%	NOTE 1
MEHO	Indigo Enterprise Inc. ("INSA")	Equity investments.	100.00%	100.00%	100.00%	
MEHO	MERRY & LUXSHARE (VIETNAM) CO., LTD. ("MEVN")	Manufacturing of sales of speaker, microphone and headphone products.	51.00%	51.00%	51.00%	NOTE 1
MEHO	MUtek Electronics Co., Ltd. (MUTT)	Manufacturing and application service of electrical appliances and audiovisual electronic products	51.00%	51.00%	51.00%	NOTE 1
MEHO	Merry Capital Inc.("MCTT")	Equity investments	100.00%	100.00%	100.00%	NOTE 1
MEST	Merry Electronics (Shenzhen) Co., Ltd. ("MECL")	The same main business as the Company.	100.00%	100.00%	100.00%	
DDBV	Merrytech (HK) Co., Limited ("MTHK")	Equity investments.	100.00%	100.00%	100.00%	
INSA	Merry Electronics North America Inc. ("MENA")	Develop-to-order and appearance design of speaker and amplifier.	100.00%	100.00%	100.00%	
MENA	Seas Fabrikker ("SENM")	Manufacturing and sales of speaker monomer.	100.00%	100.00%	100.00%	NOTE 1
MHKY	Fulicare Co., Ltd. ("FUSA")	Equity investments.	100.00%	96.01%	96.01%	NOTE 1、NOTE 2
FUSA	Fulicare Medical Instruments (Suzhou) Co. ,Ltd.	Sales of medical device.	100.00%	100.00%	100.00%	NOTE 1

Name of investor	Name of subsidiary	Main business Activities	Ownership (%) June 30, 2025	December 31, 2024	June 30, 2024	Description
	("FUSZ")					
FUSA	Fulicare Medical Instruments (Xiamen) Co., Ltd. ("FUXM")	Manufacturing of medical device.	100.00%	100.00%	100.00%	NOTE 1
FUSA	Xiamen Etimbre Hearing Technology Co., Ltd. ("ETCX")	Research and development, manufacturing as well as sales of hearing aid, hearing device and acoustics equipment.	100.00%	100.00%	100.00%	NOTE 1
FUSZ and FUSA	Austar Hearing Science And Technology (Xiamen) Co., Ltd. ("ASCX")	Research and development, manufacturing as well as sales of hearing aid, hearing device and acoustics equipment.	100.00%	99.50%	99.50%	NOTE 1、NOTE 3
MESG	Merry Electronics Sdn Bhd. ("MEMP")	Research and development of microphone, receiver and speaker.	100.00%	100.00%	100.00%	NOTE 1

Note 1: The financial statements of the entity as of and for the six months ended June 30, 2025 and 2024 were not reviewed by the independent auditors as the entity is not a significant subsidiary.

Note 2: In April 2025, the Group’s subsidiary, MHKY, increased its capital in FUSA by cash amounting to USD 2,000 thousand (approximately NTD 65,000 thousand). Due to not participating in the cash capital increase proportionally, the percentage of shares held increased from 96.01% to 96.29%. Additionally, on April 24, 2025, the Group’s subsidiary, FUSA, passed a board resolution to acquire and cancel the 3.71% of shares held by original shareholders (non-related parties). The equity transaction date was April 24, 2025. For information on transactions with non-controlling interests, please refer to Note 6 (25).

Note 3: On April 10, 2025, the Board of Directors of the Group resolved to acquire 0.5% equity interest held by the original shareholders of ASCX (non-related parties). The transaction date for the equity acquisition is April 24, 2025. For details regarding transactions with non-controlling interests, please refer to Note 6 (25).

The Group aims to enhance its market penetration in Northeast Asia, strengthen vertically integrated manufacturing capabilities, expand operational scale, and improve business performance. On March 17, 2025, as resolved by the Board of Directors, the Group plans to acquire 100% ownership in MWT HOLDINGS CO., LTD. (MWT Holdings) from non-related parties, including J-STAR Co., Ltd., with a total transaction amount not exceeding JPY 10,278 million (approximately NTD 2,260 million). As of July 24, 2025, the transaction is still in progress.

C. Subsidiaries not included in the consolidated financial statements:

None.

D. Adjustments for subsidiaries with different balance sheet dates:

None.

E. Significant restrictions:

None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's non-controlling interests amounted to $1,130,046 thousand, $ 1,174,522 thousand and $ 999,111 thousand, respectively. The following is the information for non-controlling interests that are material to the Group and that belong to the Group's subsidiaries:

		Non-controlling interests					
		June 30, 2025		December 31, 2024		June 30, 2024	
Name of subsidiary	Principal place of business	Amount	Shareholding ratio	Amount	Shareholding ratio	Amount	Shareholding ratio
MEVN	Vietnam	$ 1,104,023	49%	$ 1,109,526	49%	$ 937,861	49%

The summarized financial information of the subsidiary is as follows:

Balance sheet

	MEVN		
	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	$ 4,290,552	$ 3,910,754	$ 2,874,358
Non-current assets	963,391	1,013,238	966,655
Current liabilities	(2,971,504)	(2,587,704)	(1,815,403)
Non-current liabilities	(719)	(23,148)	(68,934)
Total net assets	$ 2,281,720	$ 2,313,140	$ 1,956,676

Statement of comprehensive income

	MEVN	
	Three months ended June 30	
	2025	2024
Revenue	$ 2,484,793	$ 1,551,018
Profit before income tax	248,509	202,445
Income tax	(37,590)	(32,797)
Profit for the period from continuing operations	210,919	169,648
Profit for the period	210,919	169,648
Total comprehensive income for the period	$ 210,919	$ 169,648
Comprehensive income attributable to non-controlling interests	$ 103,351	$ 83,127

	MEVN	
	Six months ended June 30	
	2025	2024
Revenue	$ 4,053,708	$ 2,376,832
Profit before income tax	343,471	301,214
Income tax	(45,480)	(32,797)
Profit for the period from continuing operations	297,991	268,417
Profit for the period	297,991	268,417
Total comprehensive income for the period	$ 297,991	$ 268,417
Comprehensive income attributable to non-controlling interests	$ 146,016	$ 131,524

Statement of cash flows

	MEVN	
	Six months ended June 30	
	2025	2024
Net cash inflows generated from operating activities	$ 433,190	$ 28,818
Net cash outflows used in investing activities	(96,130)	(21,583)
Net cash inflows generated from (outflows used in) financing activities	(112,534)	(50,606)
Effect of change in foreign currency exchange	(25,920)	6,681
Net increase (decrease) in cash and cash equivalents	198,606	(36,690)
Cash and cash equivalents at beginning of period	66,811	142,185
Cash and cash equivalents at end of period	$ 265,417	$ 105,495

(4) Employee benefits

Pensions

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	$ 1,032	$ 1,221	$ 1,218
Checking accounts and demand deposits	8,256,434	6,986,072	8,194,225
Time deposits	1,744,138	1,599,601	642,703
	$ 10,001,604	$ 8,586,894	$ 8,838,146

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's time deposits with maturity over 3 months had been classified as financial assets measured at amortized cost.

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

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
-Funds	$ 831,362	$ 611,639	$ 123,207
-Forward exchange contract	34,049	7,603	9,587
-Call options of convertible bonds	650	600	-
-Stocks	20,480	20,965	20,480
Valuation adjustment	6,680	15,669	22,652
Total	$ 893,221	$ 656,476	$ 175,926
Non-current items:			
Funds	$ 46,220	$ 46,220	$ 47,652
Valuation adjustment	(3,237)	(3,145)	(2,195)
	$ 42,983	$ 43,075	$ 45,457

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Financial liabilities held for trading-forward exchange contract	$ 51,726	$ -	$ 5

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended June 30	
	2025	2024
Net gains on financial assets at fair value through profit or loss	$ 14,652	$ 4,718

	Six months ended June 30	
	2025	2024
Net gains on financial assets at fair value through profit or loss	$ 20,487	$ 15,331

B. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed as follows:

	June 30, 2025		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to sell	USD 109,500 thousand	2025/05/13~ 2025/09/30	NTD 28.780~30.185
Forward foreign exchange contract to buy	USD 113,500 thousand	2024/12/26~ 2025/12/30	NTD 28.120~32.382

	December 31, 2024		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to buy	USD 6,000 thousand	2024/03/14~ 2025/12/30	NTD 30.253~31.712

	June 30, 2024		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to sell	USD 4,000 thousand	2024/05/31~ 2024/07/31	NTD 32.425~32.533
Forward foreign exchange contract to buy	USD 8,000 thousand	2024/02/22~ 2025/04/23	NTD 30.253~31.115

The Group entered into forward foreign exchange contracts to hedge exchange rate risk of import and export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had outstanding payments for settled transactions amounting to $135,416 thousand, $0 thousand and $0 thousand (shown as other payables), respectively.

D. As of June 30, 2025, December 31, 2024 and June 30, 2024, the collectible payments for settled transactions amounted to $134,609 thousand, $0 thousand and $0 thousand (shown as other receivables), respectively.

E. The Group has no financial assets at fair value through profit or loss pledged to others as collateral.

(3) Accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable	$ 8,577,887	$ 11,279,105	$ 9,037,353
Less: Allowance for doubtful accounts	(44,902)	(44,658)	(49,931)
	$ 8,532,985	$ 11,234,447	$ 8,987,422

A. The aging analysis of accounts receivable is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Not past due	$ 8,412,648	$ 11,190,671	$ 8,810,861
Up to 30 days	119,405	45,293	180,200
31 to 90 days	5,309	3,134	6,937
91 to 180 days	722	3,263	10,125
Over 180 days	39,803	36,744	29,230
	$ 8,577,887	$ 11,279,105	$ 9,037,353

The above aging analysis was based on past due date.

B. As of June 30, 2025, December 31, 2024, June 30, 2024, and January 1, 2024, the balances of receivables from contracts with customers amounted to $8,532,985 thousand, $11,234,447 thousand, $8,987,422 thousand and $9,224,475 thousand, respectively.

C. The Group insured against its accounts receivable, which the insured amount has been reviewed and granted by the insurance company. If bad debts occur, the insurance company will settle the claim up to 90% of the insured amount. As of June 30, 2025, December 31, 2024 and June 30, 2024, the balance of insured accounts receivable amounted to $5,327,063 thousand, $7,107,257 thousand and $5,999,638 thousand, respectively.

D. The Group does not hold any collateral as security.

E. The Group entered into a factoring agreement which has no right of recourse with ING BANK N.V., TAIPEI BRANCH on August 19, 2024 and July 19, 2022. As of June 30, 2025, December 31, 2024 and June 30, 2024, there were no accounts receivable that were outstanding and expected to be transferred (reclassified as financial assets at fair value through other comprehensive income). Please refer to Note 6(4) for information on transfer of financial assets.

F. Information relating to credit risk of accounts receivable is provided in Note 12 (2).

(4) Transfer of financial assets

A. Transferred financial assets that are derecognized in their entirety

None for June 30, 2025, December 31, 2024 and June 30, 2024.

B. Transferred financial assets that are not derecognized in their entirety

i. On August 19, 2024 and July 19, 2022, the Group entered into a factoring agreement with ING BANK N.V., TAIPEI BRANCH to sell its accounts receivable. In accordance with the agreement, the Group transferred first 90% of accounts receivable and has obligated to provide partial guarantees for the default risk of the transferred accounts receivable. Therefore, the Group has not derecognized the accounts receivable in their entirety and may not pledge these accounts receivable to a third party.

ii. As of June 30, 2025, December 31, 2024 and June 30, 2024, the related information of the transferred accounts receivable sold that the Group continuously recognized to the extent of continuing involvement were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total carrying amount of the original assets before transferring	$ -	$ 657,263	$ -
Carrying amount of the assets continuously recognized	-	65,726	-

(5) Inventories

	June 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 3,038,154	($ 81,106)	$ 2,957,048
Work in progress	1,198,267	(9,297)	1,188,970
Finished goods	1,983,780	(115,827)	1,867,953
	$ 6,220,201	($ 206,230)	$ 6,013,971

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 2,018,432	($ 117,885)	$ 1,900,547
Work in progress	753,299	(10,151)	743,148
Finished goods	2,300,818	(85,528)	2,215,290
	$ 5,072,549	($ 213,564)	$ 4,858,985

	June 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 2,084,696	($ 137,434)	$ 1,947,262
Work in progress	973,088	(12,064)	961,024
Finished goods	2,358,102	(92,116)	2,265,986
	$ 5,415,886	($ 241,614)	$ 5,174,272

The cost of inventories recognized as expense for the period:

	Three months ended June 30	
	2025	2024
Cost of goods sold	$ 9,083,038	$ 8,918,329
Loss on scrapping inventory	32,550	14,168
Loss on reversal of slow-moving inventories and decline in market value	1,870	8,815
Gain on physical inventory	(38)	-
	$ 9,117,420	$ 8,941,312

	Six months ended June 30	
	2025	2024
Cost of goods sold	$ 16,850,783	$ 16,224,430
Loss on scrapping inventory	37,534	23,005
Gain on reversal of slow-moving inventories and decline in market value	(7,334)	(2,348)
Gain on physical inventory	(38)	-
	$ 16,880,945	$ 16,245,087

The Group reversed a previous inventory write-down because of the sale of certain written-down inventories by the Group for the six months ended June 30, 2025 and June 30, 2024.

(6) Investments accounted for using the equity method

	Six months ended June 30			
	2025		2024	
At January 1	$	5,914,755	$	5,602,510
Disposal of investments accounted for using equity method		-	(	430,463)
Share of profit or loss of investments accounted for using the equity method		340,814		271,131
Earnings distribution	(	8)	(	24)
Changes in capital surplus additional paid-in capital		4,824		329
Changes in other equity items	(	704,404)		147,304
Credit balance of investments accounted for using the equity method transferred to non-current liabilities		-		43
Transferred from financial assets at fair value through other comprehensive income		-		135,869
At June 30	$	5,555,981	$	5,726,699

A. The Group's investee company, Guangdong Luxshare & Merry Electronics Co., Ltd., established the liquidation committee on April 20, 2022. The liquidation period was from May 1, 2022 to May 29, 2024. The date of dissolution was the end of the liquidation period. The liquidation was completed.

B. Details are as follows：

	June 30, 2025		December 31, 2024		June 30, 2024	
Associates with significant influence						
Merry Electronics (Suzhou) Co., Ltd. (MECE)	$	3,281,182	$	3,665,410	$	3,466,384
Associates with insignificant influence						
Merry Electronics (Huizhou) Co., Ltd. (MECH)		1,344,210		1,377,693		1,456,784
DONPON PRECISION INC		455,935		482,410		468,696
CDIB-Mac Limited Partnership. (MAC FUND)		250,299		159,861		120,231
Leohab Enterprise Co., Ltd. (LEOHAB)		80,046		76,954		61,822
Dong Guan Get Pink Electronics Co., Ltd.		13,288		16,278		16,262
SYNergy ScienTech Corp.		131,021		136,149		136,520
Merry Electronics (Shanghai)Co., Ltd. (MECS)		-		-	(	1,138)
Subtotal		5,555,981		5,914,755		5,725,561

	June 30, 2025	December 31, 2024	June 30, 2024
Add: Credit balance of investments accounted for using the equity method transferred to non-current liabilities	-	-	1,138
	$ 5,555,981	$ 5,914,755	$ 5,726,699

C. Share of profit (loss) of associates accounted for using the equity method：

	Three months ended June 30	
Investee	2025	2024
MECE	$ 9,874	$ 59,728
MECH	50,731	64,176
MEDG	-	90
DONPON	2,700	9,880
MAC FUND	90,018	1,773
LEOHAB	6,580	17,035
Dong Guan Get Pink Electronics Co., Ltd.	(128)	232
SYNERGY	(3,201)	708
MECS	-	(1)
	$ 156,574	$ 153,621

	Six months ended June 30	
Investee	2025	2024
MECE	$ 142,559	$ 89,141
MECH	92,484	133,416
MEDG	-	2,682
DONPON	5,612	17,018
MAC FUND	90,446	3,418
LEOHAB	15,013	24,910
Dong Guan Get Pink Electronics Co., Ltd.	(1,693)	(162)
SYNERGY	(3,607)	708
MECS	-	-
	$ 340,814	$ 271,131

D. Associates

(a) The basic information of the associates that is material to the Group is as follows:

		Shareholding ratio				
Company name	Principal place of business	June 30, 2025	December 31, 2024	June 30, 2024	Nature of relationship	Method of measurement
MECE	Mainland of China	49.00%	49.00%	49.00%	Holding more than 20% of voting right	Equity method

(b) The summarized financial information of the associates that is material to the Group is as follows:

Balance sheet

	MERRY ELECTRONICS (SUZHOU) CO., LTD.		
	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	$ 7,693,852	$ 7,811,276	$ 6,678,494
Non-current assets	2,716,684	3,151,317	3,709,903
Current liabilities	(3,581,518)	(3,356,318)	(3,113,393)
Non-current liabilities	(55,762)	(61,559)	(69,744)
Total net assets	$ 6,773,256	$ 7,544,716	$ 7,205,260
Share in associate’s net assets	$ 3,318,895	$ 3,696,911	$ 3,530,577
Realized (unrealized) gain or loss from upstream and side stream transactions	(37,713)	(31,501)	(64,193)
Carrying amount of the associate	$ 3,281,182	$ 3,665,410	$ 3,466,384

Statement of comprehensive income

	MERRY ELECTRONICS (SUZHOU) CO., LTD.	
	Three months ended June 30	
	2025	2024
Revenue	$ 1,829,140	$ 1,989,095
Profit for the period from continuing operations	($ 28,082)	$ 36,936
Total comprehensive income(loss)	($ 28,082)	$ 36,936

	MERRY ELECTRONICS (SUZHOU) CO., LTD.	
	Six months ended June 30	
	2025	2024
Revenue	$ 4,428,332	$ 4,428,925
Profit (loss) for the period from continuing operations	$ 303,616	$ 194,311
Total comprehensive income (loss)	$ 303,616	$ 194,311

(c) The carrying amount of the Group’s interests in all individually immaterial associates and the Group’s share of the operating results are summarized below:

	Three months ended June 30	
	2025	2024
Share of profit of associates and joint ventures accounted for using the equity method	$ 146,700	$ 93,893
Other comprehensive income (loss), net of tax	(182,449)	32,596
Total comprehensive income	($ 35,749)	$ 126,489

	Six months ended June 30	
	2025	2024
Share of profit of associates and joint ventures accounted for using the equity method	$ 198,255	$ 181,990
Other comprehensive income (loss), net of tax	(147,853)	65,519
Total comprehensive income	$ 50,402	$ 247,509

The investment income or loss accounted for under equity method of the above equity investments, except for MECE and MECH, is recognized based on the financial statements for the current period that was not reviewed by auditors.

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(7) Property, plant and equipment

Cost	Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
	Six months ended June 30, 2025					
Land	$ 1,011,609	$ -	$ -	$ -	($ 14,509)	$ 997,100
Land improvements	645	-	-	-	(37)	608
Buildings and structures	2,095,199	1,660	-	(12,140)	(147,478)	1,937,241
Machinery	3,604,018	328,553	(174,182)	12,462	(339,662)	3,431,189
Transportation equipment	19,169	4,897	(3,270)	-	(1,382)	19,414
Office equipment	358,171	21,928	(2,172)	813	(20,226)	358,514
Others	408,678	32,773	(17,088)	(36,536)	(35,014)	352,813
Unfinished construction	245,210	213,425	-	(12,398)	(23,677)	422,560
Total	7,742,699	$ 603,236	($ 196,712)	($ 47,799)	($ 581,985)	7,519,439
Accumulated depreciation						
Land improvements	($ 634)	($ 2)	$ -	$ -	$ 37	($ 599)
Buildings and structures	(752,570)	(41,669)	-	12,140	61,932	(720,167)
Machinery	(2,105,362)	(208,401)	115,619	-	194,504	(2,003,640)
Transportation equipment	(15,607)	(766)	3,211	-	838	(12,324)
Office equipment	(258,704)	(17,535)	2,069	-	16,454	(257,716)
Others	(244,048)	(25,834)	9,307	21,951	21,207	(217,417)
Total	(3,376,925)	($ 294,207)	$ 130,206	$ 34,091	$ 294,972	(3,211,863)
	$ 4,365,774					$ 4,307,576

Cost	Six months ended June 30, 2024 Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
Land	$ 792,956	$ -	$ -	$ -	($ 554)	$ 792,402
Land improvements	604	-	-	-	(10)	594
Buildings and structures	2,027,767	426	(1,508)	(12,274)	22,063	2,036,474
Machinery	3,240,291	99,048	(54,140)	17,117	56,995	3,359,311
Transportation equipment	16,896	916		-	311	18,123
Office equipment	335,656	5,462	(2,631)	-	4,779	343,266
Others	358,070	6,943	(211)	(36,974)	6,744	334,572
Unfinished construction	3,246	33,573	(3,561)	(12,076)	20	21,202
Total	6,775,486	$ 146,368	($ 62,051)	$ 44,207	$ 90,348	6,905,944
Accumulated depreciation						
Land improvements	($ 590)	($ 2)	$ -	$ -	$ 10	($ 582)
Buildings and structures	(644,251)	(41,533)	1,250	12,274	(10,270)	(682,530)
Machinery	(1,684,403)	(208,285)	37,316	-	(31,785)	(1,887,157)
Transportation equipment	(13,501)	(700)	-	-	(239)	(14,440)
Office equipment	(224,257)	(16,991)	2,033	-	(3,977)	(243,192)
Others	(186,567)	(22,346)	182	12,344	(3,741)	(200,128)
Total	(2,753,569)	($ 289,857)	$ 40,781	$ 24,618	($ 50,002)	(3,028,029)
	$ 4,021,917					$ 3,877,915

A. The Group has no property, plant and equipment that apply to capitalization of borrowing costs.

B. The Group has property, plant and equipment pledged to others as collateral. Please refer to Note 8 for details.

(8) Intangible assets

	Six months ended June 30, 2025				
Cost	Opening balance	Additions	Reductions	Effect of foreign currency exchange difference	Ending balance
Goodwill	$ 931,678	$ -	$ -	$ -	$ 931,678
Computer software	647,473	1,595	(607)	(1,956)	646,505
Customer relationship	326,550	-	-	-	326,550
Know-how	115,748	-	-	-	115,748
Trademarks	61,481	-	-	-	61,481
Others	54,504	1,735	-	(92)	56,147
Total	2,137,434	$ 3,330	($ 607)	($ 2,048)	2,138,109
Accumulated amortization					
Computer software	($ 597,420)	($ 13,828)	$ 607	$ 1,103	($ 609,538)
Customer relationship	(273,435)	(17,705)	-	-	(291,140)
Know-how	(115,748)	-	-	-	(115,748)
Trademarks	(35,439)	(2,759)	-	-	(38,198)
Others	(45,011)	(2,897)	-	26	(47,882)
Total	($ 1,067,053)	($ 37,189)	$ 607	$ 1,129	(1,102,506)
Accumulated Impairment loss					
Goodwill	($ 292,249)	$ -	$ -	$ -	($ 292,249)
	$ 778,132				$ 743,354

Cost	Six months ended June 30, 2024					
	Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
Goodwill	$ 931,678	$ -	$ -	$ -	$ -	$ 931,678
Computer software	629,757	1,200	(32)	430	1,227	632,582
Customer relationship	326,550	-	-	-	-	326,550
Know-how	115,748	-	-	-	-	115,748
Trademarks	61,481	-	-	-	-	61,481
Others	49,203	2,891	-	-	56	52,150
Total	2,114,417	$ 4,091	($ 32)	$ 430	$ 1,283	2,120,189
Accumulated amortization						
Computer software	($ 553,211)	($ 26,091)	$ 32	$ -	($ 830)	($ 580,100)
Customer relationship	(238,025)	(17,705)	-	-	-	(255,730)
Know-how	(115,748)	-	-	-	-	(115,748)
Trademarks	(29,921)	(2,759)	-	-	-	(32,680)
Others	(39,015)	(2,990)	-	-	(25)	(42,030)
Total	($ 975,920)	($ 49,545)	$ 32	$ -	($ 855)	(1,026,288)
Accumulated Impairment loss						
Goodwill	($ 227,276)	$ -	$ -	$ -	$ -	($ 227,276)
	$ 911,221					$ 866,625

A. Details of amortization on intangible assets are as follows:

	Three months ended June 30	
	2025	2024
Operating costs	$ 888	$ 1,475
Selling expenses	1,621	1,652
Administrative expenses	7,388	15,645
Research and development expenses	8,278	5,584
	$ 18,175	$ 24,356

	Six months ended June 30	
	2025	2024
Operating costs	$ 1,800	$ 3,012
Selling expenses	3,529	3,527
Administrative expenses	15,551	29,242
Research and development expenses	16,309	13,764
	$ 37,189	$ 49,545

B. Goodwill allocated to the Group's cash generated unit

	June 30, 2025		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
MSCS and Indigo	$ 581,644	($ 292,249)	$ 292,249
ASCX	210,299	-	210,299
Huges Hi-Tech Inc.	139,735	-	139,735
	$ 931,678	($ 292,249)	$ 639,429

	December 31, 2024		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
MSCS and Indigo	$ 581,644	($ 292,249)	$ 292,249
ASCX	210,299	-	210,299
Huges Hi-Tech Inc.	139,735	-	139,735
	$ 931,678	($ 292,249)	$ 639,429

	June 30, 2024		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
MSCS and Indigo	$ 581,644	($ 227,276)	$ 354,368
ASCX	210,299	-	210,299
Huges Hi-Tech Inc.	139,735	-	139,735
	$ 931,678	($ 227,276)	$ 704,402

As of December 31, 2024, the recoverable amount of all cash-generating units calculated using the value-in-use did not exceed their carrying amount, so an impairment loss to goodwill was recognized amounting to $64,973 thousand. The goodwill balance after the recognition of impairment loss amounted as of June 30, 2025 is $639,429 thousand. The cash flow projections are based on financial budgets approved by the management covering a five-year period, the key assumptions used for value-in-use calculations are as follows:

December 31, 2024	Huges Hi-Tech Inc.	MSCS and Indigo	ASCX
Discount rate	9.44%	14.17%	13.47%
Growth rate	10%	4%~24.97%	3%~18.35%

C. The Group has no intangible assets pledged to others as collateral.

(9) Short-term borrowings

Type of borrowings	June 30, 2025	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 2,039,227	2.00%~2.95%	None
Secured borrowings	81,820	2.75%~3.40%	Patents (Note)
	$ 2,121,047		

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 277,099	2.00%~3.65%	None
Secured borrowings	89,560	2.70%~3.40%	Patents (Note)
	$ 366,659		

Type of borrowings	June 30, 2024	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 1,780,251	1.71%~3.92%	None
Secured borrowings	44,450	3.70%	Patents (Note)
	$ 1,824,701		

A. Interest expense recognized in profit or loss amounted to $5,666 thousand, $9,283 thousand, $7,875 thousand and $15,312 thousand for the three months and six months ended June 30, 2025 and 2024, respectively.

B. The Group provided endorsements and guarantees for the credit loans as of June 30, 2025, December 31, 2024 and June 30, 2024.

Note: The patents has been fully amortized into profit and loss.

(10) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Dividend payable	$ 1,850,505	$ -	$ 1,030,914
Payroll and bonus payable	440,051	575,601	345,712
Employee compensation payable	221,047	306,792	231,795
Payables on equipment	242,143	127,331	83,018
Directors' remuneration payable	66,627	59,771	61,162
Other payables-Financial liabilities	135,416	-	-
Others	464,451	536,594	463,860
	$ 3,420,240	$ 1,606,089	$ 2,216,461

(11) Bonds payable

	June 30, 2025	December 31, 2024	June 30, 2024
Bonds payable	$ 3,000,000	$ 3,000,000	$ 1,191,100
Less: Discount on bonds payable	(116,092)	(143,722)	(1,316)
	2,883,908	2,856,278	1,189,784
Less: Expiring within one year or one operating cycle	-	-	(1,189,784)
	$ 2,883,908	$ 2,856,278	$ -

A. The details of the third domestic unsecured convertible bonds issued by the Company on August 11, 2021 are as follows:

(a) The terms of the third domestic unsecured convertible bonds issued by the Company are as follows:

i. The Company issued $3,015,000 thousand, 0% third domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature three years from the issue date August 11, 2021 to August 11, 2024 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on August 11, 2021.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period from the commencement date of the cessation of conversion of the share certificate and the prior day before the commencement date of trading of the new share certificate. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price was $104.9 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount, the Company has the right to redeem the convertible bonds in accordance with the Article 18 of the terms of issuance and conversion during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) The bonds totaling $2,996,000 thousand (face value) had been converted into 28,559 shares of common stock. The face value of the remaining unconverted bonds had been due for settlement on August 11, 2024. The forfeited 'capital surplus - share options' of $129 thousand was all transferred to 'capital surplus-others'.

B. The details of the fourth domestic unsecured convertible bonds issued by the Company on July 10, 2024 are as follows:

(a) The terms of the fourth domestic unsecured convertible bonds issued by the Company are as follows:

i. The Company issued $2,500,000 thousand, 0% fourth domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature three years from the issue date July 10, 2024 to July 10, 2027 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on July 10, 2024.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period between the start date of stopping conversion due to implementing changes of face value of stocks and the prior day before the trading date that new shares start to be exchanged to stocks, can not ask conversions. Other than the aforementioned period, the bonds can be converted into common shares at any time after applying request to Taiwan Depository & Clearing Corporation through securities firms. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of June 30, 2025, the conversion price was $137.5 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount, the Company has the right to redeem the convertible bonds in accordance with the Article 18 of the terms of issuance and conversion during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) As of June 30, 2025, the bonds had not yet been converted into common stock.

C. The details of the fifth domestic unsecured convertible bonds issued by the Company on July 22, 2024 are as follows:

(a) The terms of the fifth domestic unsecured convertible bonds issued by the Company are as follows:

i. The Company issued $500,000 thousand, 0% fifth domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature three years from the issue date July 22, 2024 to July 22, 2027 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on July 22, 2024.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period between the start date of stopping conversion due to implementing changes of face value of stocks and the prior day before the trading date that new shares start to be exchanged to stocks, can not ask conversions. Other than the aforementioned period, the bonds can be converted into common shares at any time after applying request to Taiwan Depository & Clearing Corporation through securities firms. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of June 30, 2025, the conversion price was $133.5 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount, the Company has the right to redeem the convertible bonds in accordance with the Article 18 of the terms of issuance and conversion during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) As of June 30, 2025, the bonds had not yet been converted into common stock.

D. Regarding the issuance of convertible bonds, the equity conversion options amounting to $280,733 thousand were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts.

(12) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2025
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly; principal is repayable starting from 2023.	1.28%~1.79%	None	$ 241,537
Secured borrowings	Borrowing period is from 2023/9/27 to 2033/9/27; interest is repayable monthly, principal is repayable starting from 2023.	3.30%	Plant	47,365
				288,902
Less: Expiring within one year or one operating cycle				(152,691)
				$ 136,211

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2025/2/20; interest is repayable monthly, principal is repayable starting from 2022. (Notes 1 and 2)	0.93%~1.29%	None	$ 20,556
Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly, principal is repayable starting from 2022.	1.23%~5.30%	None	450,288
Secured borrowings	Borrowing period is from 2023/9/27 to 2033/9/27; interest is repayable monthly, principal is repayable starting from 2023.	3.30%	Plant	54,558
				525,402
Less: Expiring within one year or one operating cycle				(282,505)
				$ 242,897

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2024
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2025/2/20; interest is repayable monthly; principal is repayable starting from 2022 (Note 1, 2).	0.93%~1.29%	None	$ 82,222
Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly; principal is repayable starting from 2022.	1.23%~5.60%	None	1,013,226
Credit loan	Borrowing period is from 2022/9/27 to 2026/9/27; payment in installments; principal is repayable starting from 2023.	2.00%~3.55%	None	53,829
Secured borrowings	Borrowing period is from 2023/9/27 to 2033/9/27; payment in installments; principal is repayable starting from 2023.	3.65%	Plant	82,007
				1,231,284
Less: Expiring within one year or one operating cycle				(385,055)
				$ 846,229

Note 1: In November 2019, the Company entered into a long-term loan contract with Taipei Fubon Bank. As of June 30, 2025, all available borrowing facilities was used.

Aforementioned contract conditions:

During the credit period, the following financial ratios shall be maintained and the audited / reviewed financial statements by independent auditors shall be checked semi-annually:

(a) Current ratio shall not be lower than 100%;
(b) Debt ratio shall not be higher than 200%;
(c) Interest coverage ratio shall not be lower than 10;
(d) Tangible assets shall not be lower than $8 billion.

Note 2: In February 2020, the Company entered into a long-term loan contract with JIHSUN BANK. As of June 30, 2025, all available borrowing facilities was used.

Aforementioned contract conditions:

During the credit period, the following financial ratios shall be maintained and the audited / reviewed financial statements by independent auditors shall be checked semi-annually:

(a) Current ratio shall not be lower than 100%;

(b) Debt ratio shall not be higher than 250%;

(c) Tangible assets shall be maintained at least $8 billion.

The interest expense recognized in profit or loss for the three months and six months ended June 30, 2025 and 2024 amounted to $1,629 thousand, $7,553 thousand, $4,596 thousand and $15,906 thousand, respectively.

(13) Share-based payment

A. For the six months ended June 30, 2025 and 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grand date	Quantity granted	Contract period	Share price	Exercise price	Fair Value per unit	Vesting condition
The 1st restricted stocks to employees in 2020	2021/05/31	416 units	3 years	107.5	0	107.5	Note 1
The 2nd restricted stocks to employees in 2020	2021/07/30	1,504 units	3 years	111.0	0	111.0	Note 1
The 1st restricted stocks to employees in 2021	2022/07/29	1,800 units	3 years	80.7	0	80.7	Note 1
The 1st restricted stocks to employees in 2022	2023/07/28	1,645 units	3 years	91.9	0	91.9	Note 1
The 2nd restricted stocks to employees in 2022	2024/07/26	355 units	3 years	124.0	0	124.0	Note 1
The 1st restricted stocks to employees in 2023	2024/07/26	1,594 units	5 years	124.0	0	124.0	Note 2
Cash capital increase reserved for employee preemption in 2024	2024/08/28	750 units	Vested immediately	134.0	95.0	39.0	-

Note 1: Depending on the employee's tenure in the Company (1 to 3 years), the employees can vest stocks at the ratio of 30%, 30% and 40% in three years based on the number of stocks written on the notification. The conditions for vesting restricted stocks are as follows:

(a) For the employees who are currently working in the Company, whose services have reached 1 year and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of vested share ratio is 30%.

(b) For the employees who are currently working in the Company, whose services have reached 2 years and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of accumulated vested share ratio is 60%.

(c) For the employees who are currently working in the Company, whose services have reached 3 years and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of accumulated vested share ratio is 100%.

(d) The Company will repurchase and retire the stocks that do not meet the conditions of vesting for the employees who resign during the vesting period or do not meet the condition of vesting by the issuance price.

Note 2: The expired date of the vesting period is 5 years after the grant date. The Group will calculate the number of vesting stocks by reviewing the personal and company's performance and the vesting stocks for the employees will be vested cumulatively at once.

The aforementioned restricted stocks issued by the Company cannot be transferred during the vesting period and the commissioned trust custodians execute the shareholders' rights on behalf of the employees.

B. Details of the share-based payment arrangements are as follows:

	Six months ended June 30, 2025		Six months ended June 30, 2024	
	No. of share (in thousands)	Weighted-average exercise price (in dollars)	No. of share (in thousands)	Weighted-average exercise price (in dollars)
At January 1	4,127	$ -	4,071	$ -
Restricted Stocks vested	-	-	(358)	-
Restricted stocks retired	(2)	-	(209)	-
At June 30	4,125	-	3,504	-

C. Expenses incurred on share-based payment transactions are shown below:

	Three months ended June 30	
	2025	2024
Equity-settled	$ 32,913	$ 20,518

	Six months ended June 30	
	2025	2024
Equity-settled	$ 65,696	$ 58,674

(14) Share capital

As of June 30, 2025, the Company's authorized capital was $4,000,000 thousand, consisting of 400,000 thousand shares of ordinary stock (including 5,000 thousand shares reserved for employee stock options), and the paid-in capital was $ 2,534,894 thousand with a par value of $10 (in dollars) per share.

Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands):

	2025	2024
At January 1	253,491	219,316
Employee restricted shares retired	(2)	(209)
Conversion of convertible bonds into common shares	-	17,243
At June 30	253,489	236,350

(a) The retirement of the employees' restricted stocks which had been resolved by the Company's Board of Directors was as follows:

Date of the Board of Directors' Resolution	Number of restricted stocks to employees retired (in thousands)	Date of Capital Reduction
April 24, 2025	2	April 28, 2025
July 25, 2024	182	July 25, 2024
April 25, 2024	27	April 25, 2024

(b) The Company issued the third unsecured convertible bonds on August 11, 2021. As of August 11, 2024, the face value of the convertible bonds of $2,996,000 thousand had been converted into common shares amounting to 28,559 thousand shares. The remaining unconverted face value of the corporate bonds was matured and settled on August 11, 2024. Among them, 16,154 thousand shares and 1,089 thousand shares of which had been set effective on July 26, 2024 and April 26, 2024 as resolved by the Board of Directors during their meeting on July 25, 2024 and April 25, 2024, respectively. The registration for the abovementioned issuance of the new shares was completed.

(15) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2025				
	Share premium	Share option	Employee restricted stocks	Others	Total
At January 1	$ 7,449,826	$ 280,733	$ 390,287	$ 301,585	$ 8,422,431
Restricted stocks retired	-	-	(141)	-	(141)
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	-	4,824	4,824
Changes in non-controlling interests	-	-	-	(392)	(392)
At June 30	$ 7,449,826	$ 280,733	$ 390,146	$ 306,017	$ 8,426,722

	2024				
	Share premium	Share option	Employee restricted stocks	Others	Total
At January 1	$ 4,147,542	$ 96,854	$ 338,495	$290,083	$4,872,974
Convertible bonds converted into common shares	1,692,175	(58,399)	-	-	1,633,776
Restricted stocks vested	33,261	-	(33,261)	-	-
Restricted stocks retired	-	-	(19,668)	-	(19,668)
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	-	329	329
Disposal of investments accounted for using equity method	-	-	-	(1,872)	(1,872)
At June 30	$ 5,872,978	$ 38,455	$ 285,566	$ 288,540	$6,485,539

(16) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, after deduction of mandatory income tax, shall first be used to offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After the provision or reversal of special reserve, the appropriation of the remaining earnings along with the unappropriated earnings of prior year shall be proposed by the Board of Directors and approved by the shareholders. The Board of Directors may, based on financial, business and operating perspectives, propose a distribution of earnings within an amount at least 30% of the new distributable earnings and not more than 80% of the accumulated distributable earnings for the current period. The dividends shall be preferably distributed in the form of cash, and can be appropriated in the shares. The ratio of cash dividends shall account for at least 30% of the total dividends distributed. All or partial of dividend and bonus that are distributed in the form of cash will be resolved and reported to the shareholders if more than 2/3 of the directors attend the Board of Directors' meeting and more than 1/2 of the directors present at the meeting have agreed.

B. The Company's dividend policy is summarized below: as the Company operates in a volatile business environment and is in the stable growth stage, the residual dividend policy is adopted taking into consideration the Company's financial structure, operating results and future expansion plans.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings. In Accordance with Ruling No.1010051600 issued by Securities and Futures Bureau of the FSC on November 21, 2012, "unearned employee compensation" under employee restricted stock is not an unrealized item, and therefore is not required to set aside the special reserve. As of June 30, 2025, the special reserve set aside based on the above regulation amounted to $193,792 thousand.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate- 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land. As of June 30, 2025, the balance of special reserve as aforementioned was $269,144 thousand.

(c) As of June 30, 2025, December 31, 2024 and June 30, 2024, the balance of special reserve was $462,936 thousand, $973,012 thousand and $973,012 thousand.

E. The Company distributed earnings for the years ended December 31, 2024 and December 31, 2023 as resolved at the shareholders' meeting on May 26, 2025, May 29, 2024 is as follows:

	2024		2023	
	Amounts	Cash dividends per share (NT$) $	Amounts	Cash dividends per share (NT$) $
Legal reserve	$ 209,620		$ 137,551	
Special reserve	(510,076)		204,826	
Cash dividends	1,850,505	$ 7.3	1,030,914	$ 4.7
	$ 1,550,049		$ 1,373,291	

The above mentioned distribution of earnings for the years ended December 31, 2024 and 2023 was in agreement with those amounts proposed by the Board of Directors on February 26 2025 and February 22 2024.

(17) Other equity items

2025	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	Cost of unearned employee compensation	Total
At January 1	$ 57,735	($ 520,671)	($ 305,316)	($ 768,252)
Amortization of employee restricted stocks	-	-	65,696	65,696
Restricted stocks retired	-	-	161	161
Revaluation – gross	-	(25,759)	-	(25,759)
Revaluation – tax	-	1,792	-	1,792
Currency translation differences:				
-Group	(696,452)	-	-	(696,452)
-Tax on Group	139,290	-	-	139,290
-Associates	(704,404)	-	-	(704,404)
-Tax on associates	132,774	-	-	132,774
At June 30	($ 1,071,057)	($ 544,638)	($ 239,459)	($ 1,855,154)

2024	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	Cost of unearned employee compensation	Total
At January 1	($ 413,159)	($ 559,853)	($ 236,339)	($ 1,209,351)
Amortization of employee restricted stocks	-	-	58,674	58,674
Restricted stocks retired	-	-	21,763	21,763
Revaluation – gross	-	6,465	-	6,465
Revaluation – tax	-	(1,760)	-	(1,760)
Revaluation transferred to retained earnings – gross	-	52,471	-	52,471
Revaluation – associates	-	(129)	-	(129)
Currency translation differences:				
-Group	217,807	-	-	217,807
-Tax on Group	(43,561)	-	-	(43,561)
-Associates	147,433	-	-	147,433
-Tax on associates	(31,948)	-	-	(31,948)
-Adjustment on disposal of associates transferred to profit or loss	24,874	-	-	24,874
At June 30	($ 98,554)	($ 502,806)	($ 155,902)	($ 757,262)

(18) Operating revenue

	Three months ended June 30	
	2025	2024
Revenue from contracts with customers	$ 10,326,562	$ 10,294,178

	Six months ended June 30	
	2025	2024
Revenue from contracts with customers	$ 19,184,746	$ 18,647,650

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

	Three months ended June 30, 2025					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$ 7,625,561	$ 2,746,936	$ 1,535,473	$ 2,484,793	$ 1,631,874	$ 16,024,637
Revenue from internal segment transactions	(2,351)	(2,495,242)	(760)	(1,900,975)	(1,298,747)	(5,698,075)
Revenue from external customer contracts	7,623,210	251,694	1,534,713	583,818	333,127	10,326,562
Main Region						
Europe	3,976,601	18,231	860,285	-	41,897	4,897,014
US	3,073,303	-	668,336	-	198,652	3,940,291
Mainland China	47,863	99,606	4,699	-	77,560	229,728
Taiwan	318,148	6	-	-	22	318,176
Others	207,295	133,851	1,393	583,818	14,996	941,353
	$ 7,623,210	$ 251,694	$ 1,534,713	$ 583,818	$ 333,127	$10,326,562

	Six months ended June 30, 2025					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$14,428,896	$ 4,873,136	$ 2,966,711	$ 4,053,708	$ 3,384,057	$ 29,706,508
Revenue from internal segment transactions	(2,795)	(4,549,535)	(760)	(3,254,466)	(2,714,206)	(10,521,762)
Revenue from external customer contracts	14,426,101	323,601	2,965,951	799,242	669,851	19,184,746
Main Region						
Europe	6,557,987	38,025	1,655,069	-	82,248	8,333,329
US	6,812,331	-	1,297,588	-	353,442	8,463,361
Mainland China	103,844	151,358	11,528	-	206,506	473,236
Taiwan	546,242	367	-	-	(38)	546,571
Others	405,697	133,851	1,766	799,242	27,693	1,368,249
	$14,426,101	$ 323,601	$ 2,965,951	$ 799,242	$ 669,851	$ 19,184,746

	Three months ended June 30, 2024					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$ 7,816,765	$ 3,146,097	$ 1,802,764	$1,551,018	$ 1,588,919	$ 15,905,563
Revenue from internal segment transactions	(4,257)	(3,034,127)	-	(1,218,474)	(1,354,527)	(5,611,385)
Revenue from external customer contracts	7,812,508	111,970	1,802,764	332,544	234,392	10,294,178
Main Region						
Europe	3,524,532	36,003	889,158	-	57,415	4,507,108
US	3,938,321	-	912,906	-	75,918	4,927,145
Mainland China	33,882	75,967	-	-	97,400	207,249
Taiwan	174,084	-	-	-	-	174,084
Others	141,689	-	700	332,544	3,659	478,592
	$ 7,812,508	$ 111,970	$ 1,802,764	$ 332,544	$ 234,392	$10,294,178

	Six months ended June 30, 2024					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$13,822,494	$ 5,464,841	$ 3,738,009	$2,376,832	$3,126,971	$ 28,529,147
Revenue from internal segment transactions	(10,922)	(5,266,331)	-	(1,910,521)	(2,693,723)	(9,881,497)
Revenue from external customer contracts	13,811,572	198,510	3,738,009	466,311	433,248	18,647,650
Main Region						
Europe	6,620,092	64,426	2,190,032	-	96,820	8,971,370
US	6,740,896	-	1,544,742	-	118,500	8,404,138
Mainland China	66,634	134,084	-	-	205,651	406,369
Taiwan	208,522	-	-	-	571	209,093
Others	175,428	-	3,235	466,311	11,706	656,680
	$13,811,572	$ 198,510	$ 3,738,009	$ 466,311	$ 433,248	$ 18,647,650

B. Contract assets and liabilities：

(a) The Group has recognized the following revenue-related liabilities (shown in other current liabilities):

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract liabilities	$ 712,076	$ 780,103	$ 866,356	$ 892,122

(b) Revenue recognized that was included in the contract liability balance at the beginning of the period：

	Three months ended June 30	
	2025	2024
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ 63,696	$ 58,862

	Six months ended June 30	
	2025	2024
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ 129,334	$ 123,782

(19) Other income

	Three months ended June 30	
	2025	2024
Government grants	$ 20,871	$ 11,924
Sample income	15,464	38,657
Rent income	7,157	7,658
Other income	20,068	9,212
	$ 63,560	$ 67,451

	Six months ended June 30	
	2025	2024
Government grants	$ 31,653	$ 51,968
Sample income	18,605	54,378
Rent income	14,944	15,151
Other income	27,359	17,732
	$ 92,561	$ 139,229

(20) Other gains and losses

	Three months ended June 30	
	2025	2024
Foreign exchange (loss) gain	($ 472,467)	$ 128,818
Gain on financial assets / liabilities at fair value through profit or loss	14,652	4,718
Gains (Loss) on disposals of property, plant and equipment	7,160	(5,823)
Gain (Loss) on disposals of investments	4	(23,412)
Other losses	(13,771)	(2,351)
	($ 464,422)	$ 101,950

	Six months ended June 30	
	2025	2024
Foreign exchange (loss) gain	($ 359,384)	$ 259,017
Gains on financial assets at fair value through profit or loss	20,487	15,331
Gains (Loss) on disposals of property, plant and equipment	7,612	(11,555)
Gain (Loss) on disposals of investments	3,379	(23,412)
Other losses	(15,149)	(4,112)
	($ 343,055)	$ 235,269

(21) Expenses by nature

	Three months ended June 30	
	2025	2024
Employee benefit expense	$ 1,130,305	$ 967,581
Depreciation charge - property, plant and equipment	141,694	145,449
Depreciation charge - right-of-use assets	29,242	30,538
Amortization charge	18,175	24,356
	$ 1,319,416	$ 1,167,924

	Six months ended June 30	
	2025	2024
Employee benefit expense	$ 2,202,443	$ 1,850,485
Depreciation charge - property, plant and equipment	294,207	289,857
Depreciation charge - right-of-use assets	60,648	60,876
Amortization charge	37,189	49,545
	$ 2,594,487	$ 2,250,763

(22) Employee benefit expense

	Three months ended June 30	
	2025	2024
Wages and salaries	$ 959,343	$ 813,372
Share-based payments	32,913	20,518
Labor and health insurance fees	19,957	18,696
Pension costs	62,904	49,175
Directors’ remuneration	(2,457)	14,169
Other personnel expenses	57,645	51,651
	$ 1,130,305	$ 967,581

	Six months ended June 30	
	2025	2024
Wages and salaries	$ 1,847,448	$ 1,539,081
Share-based payments	65,696	58,674
Labor and health insurance fees	42,221	36,623
Pension costs	123,250	91,282
Directors’ remuneration	7,486	24,570
Other personnel expenses	116,342	100,255
	$ 2,202,443	$ 1,850,485

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees’ compensation and directors’ remuneration. The ratio shall not be lower than 5~10% for employees’ compensation and shall not be higher than 2% for directors’ remuneration. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders at the shareholders' meeting. Employees’ compensation can be distributed in cash or shares and shall be distributed to the employees of subsidiaries of the Company who meet certain specific requirements.

B. The details of employees’ compensation and directors’ and supervisors’ remuneration of the Company are as follows:

	Three months ended June 30	
	2025	2024
Employees’ compensation	($ 13,484)	$ 69,868
Directors’ and supervisors’ remuneration	(2,697)	13,974
	($ 16,181)	$ 83,842

	Six months ended June 30	
	2025	2024
Employees’ compensation	$ 34,281	$ 120,900
Directors’ and supervisors’ remuneration	6,856	24,180
	$ 41,137	$ 145,080

The abovementioned amounts were recognized in wages and salaries based on profit status of the current year. Employees’ compensation was estimated at 10% and 10% of the profit for the six months ended June 30, 2025 and 2024, respectively. Directors’ remuneration was estimated at 2% and 2% of the profit for the six months ended June 30, 2025 and 2024, respectively.

Employees’ compensation and directors’ remuneration of 2024 as resolved at the Board of Directors’ meeting were in agreement with those amounts recognized in the profit or loss of 2024.

Information about employees’ compensation and directors’ and supervisors’ remuneration of the Company as resolved by the Board of Directors will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(23) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 37,223	$ 137,808
Surtax on undistributed earnings	26,680	-
Prior year income tax overestimation	(34,416)	13,010
Total current tax	29,487	150,818
Deferred tax:		
Origination and reversal of temporary differences	(88,312)	56,868
Income tax (benefit) expense	($ 58,825)	$ 207,686

	Six months ended June 30	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 101,702	$ 179,733
Surtax on undistributed earnings	26,680	-
Prior year income tax overestimation	(34,375)	13,044
Total current tax	94,007	192,777
Deferred tax:		
Origination and reversal of temporary differences	(60,387)	134,472
Income tax expense	$ 33,620	$ 327,249

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Three months ended June 30	
	2025	2024
Exchange differences changes on translation of foreign financial statements - the Group	($ 172,198)	$ 12,735
Exchange differences changes on translation of foreign financial statements - associates	(154,933)	12,099
Changes in fair value of financial assets at fair value through other comprehensive income	(2,017)	541
	($ 329,148)	$ 25,375

	Six months ended June 30	
	2025	2024
Exchange differences changes on translation of foreign financial statements - the Group	($ 139,290)	$ 43,561
Exchange differences changes on translation of foreign financial statements - associates	(132,774)	31,948
Changes in fair value of financial assets at fair value through other comprehensive income	(1,792)	1,760
	($ 273,856)	$ 77,269

B. The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

C. The recognition of the current income tax expense of the Group related to Pillar Two income tax issue amounted to $24,221 thousand, $32,797 thousand, $26,759 thousand and $32,797 thousand for the three months and six months ended June 30, 2025 and 2024, respectively.

D. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

E. MUtek Electronics Co., Ltd income tax returns through 2023 have been assessed and approved by the Tax Authority.

(24) Earnings per share

	Three months ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 2,622	248,963	$ 0.01
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	2,622	248,963	
Assumed conversion of all dilutive potential ordinary shares			
Employee restricted shares	-	2,036	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 2,622	250,999	$ 0.01

Note: The employee compensation and convertible bonds for the period from April 1 to June 30, 2025, are anti-dilutive and therefore are not included in the calculation of diluted earnings per share.

	Three months ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 491,626	219,538	$ 2.24
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	491,626	219,538	
Assumed conversion of all dilutive potential ordinary shares			
Employees’ compensation	-	506	
Convertible bonds	5,261	24,121	
Employee restricted shares	-	2,171	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 496,887	246,336	$ 2.02

	Six months ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 356,119	248,963	$ 1.43
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	356,119	248,963	
Assumed conversion of all dilutive potential ordinary shares			
Employees’ compensation	-	1,134	
Convertible bonds	22,065	21,927	
Employee restricted shares	-	2,036	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 378,184	274,060	$ 1.38

	Six months ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 856,738	217,285	$ 3.94
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	856,738	217,285	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,363	
Convertible bonds	10,983	26,335	
Employee restricted shares	-	2,171	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 867,721	247,154	$ 3.51

(25) Transactions with non-controlling interests

A. Acquisition of Additional Interest in a Subsidiary

(a) On April 24, 2025, FUSZ, a subsidiary of the Group, acquired an additional 0.5% of the issued shares of ASCX from non-controlling interests for cash consideration of NTD 1,074 thousand. The carrying amount of ASCX's non-controlling interests on the acquisition date was NTD 513 thousand. This transaction decreased non-controlling interests by NTD 513 thousand and decreased equity attributable to the owners of the parent by NTD 561 thousand. The impact of the changes in ASCX's equity during the year 2025 on equity attributable to the owners of the parent is as follows:

	2025
Carrying amount of purchased non-controlling interests	$ 513
Consideration Paid to Non-controlling Interests	(1,074)
	($ 561)

Difference between the actual acquisition or disposal price and the book value of subsidiary equity:

Capital surplus	$ -
Retained earnings	($ 561)

(b) On April 24, 2025, FUSA, a subsidiary of the Group, repurchased treasury shares for cash consideration of NTD 22,518 thousand and subsequently canceled them. As a result of this transaction, non-controlling interests decreased by NTD 17,896 thousand, and the equity attributable to the owners of the parent decreased by NTD 4,622 thousand.

B. The subsidiary's cash capital increase was not subscribed by the Group in proportion to its shareholding.

On April 23, 2025, the Group's subsidiary, FUSA, issued new shares through a cash capital increase. The Group did not subscribe in proportion to its shareholding, resulting in an increase of 0.28% in its equity stake. This transaction increased non-controlling interests by NTD 681 thousand and decreased equity attributable to the owners of the parent company by NTD 681 thousand.

(26) Supplemental cash flow information

A. Investing activities with partial cash payments

	Six months ended June 30	
	2025	2024
Acquisition of property, plant and equipment	$ 604,113	$ 151,409
Add: Beginning balance of payable on equipment	127,331	71,416
Ending balance of prepayments for equipment	13,891	20,258
Less: Beginning balance of prepayments for equipment	(827)	(2,571)
Ending balance of payable on equipment	(242,143)	(83,018)
Cash paid during the period	$ 502,365	$ 157,494

B. Financing activities with no cash flow effects::

	Six months ended June 30	
	2025	2024
Dividend payable	$ 1,850,505	$ 1,030,914
Convertible bonds being converted to common stocks	$ -	$ 1,808,800

(27) Changes in liabilities from financing activities

	Short-term Borrowings	Lease Liabilities	Convertible bonds	Long-term Borrowings (including those matured within one year	Dividends payables	Other non-current liabilities	Liabilities from financing activities-gross
At January 1, 2025	$ 366,659	$ 116,138	$ 2,856,278	$ 525,402	$ -	$ 29,151	$ 3,893,628
Changes in cash flow from financing	1,785,943	(66,161)	-	(226,666)	-	(13,796)	1,479,320
Additions	-	40,602	-	-	1,850,505	-	1,891,107
Impact of changes in foreign exchange rate	(31,555)	(2,512)	-	(9,834)	-	(946)	(44,847)
Amortization of discounts on corporate bonds	-	-	27,630	-	-	-	27,630
Changes in other non-cash items	-	2,365	-	-	-	-	2,365
At June 30, 2025	$ 2,121,047	$ 90,432	$ 2,883,908	$ 288,902	$ 1,850,505	$ 14,409	$ 7,249,203

	Short-term Borrowings	Lease Liabilities	Convertible bonds	Long-term Borrowings (including those matured within one year	Dividends payables	Other non-current liabilities	Liabilities from financing activities-gross
At January 1, 2024	$ 1,133,099	$ 173,020	$ 2,982,261	$ 1,449,356	$ -	$ 11,963	$ 5,749,699
Changes in cash flow from financing	682,645	(54,388)	-	(224,053)	-	11,841	416,045
Additions	-	30,761	-	-	1,030,914	-	1,061,675
Impact of changes in foreign exchange rate	8,957	(3,593)	-	5,981	-	335	11,680
Amortization of discounts on corporate bonds	-	-	16,323	-	-	-	16,323
Changes in other non-cash items	-	3,387	(1,808,800)	-	-	(111)	(1,805,524)
At June 30, 2024	$ 1,824,701	$ 149,187	$ 1,189,784	$1,231,284	$ 1,030,914	$ 24,028	$ 5,449,898

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Name	Relationship
Merry Electronics (Suzhou) Co., Ltd. (MECE)	Affiliated company
Merry Electronics (Huizhou) Co., Ltd. (MECH)	Affiliated company
DONPON PRECISION INC.	Affiliated company
Donyun plastic Manufactory Co., Ltd.	Affiliated company
SYNergy ScienTech Corp.	Affiliated company (Note 1)
Merry Fuling Co., Ltd. Taiwan Branch (MHNCTW)	Other related party
Luxshare Precision Limited	Other related party (Note 2)
Luxshare Precision Industry Co., Ltd	Other related party (Note 2)
Luxshare Electronic Technology (Kunshan) Co., Ltd.	Other related party (Note 2)
Dongguan Luxshare Precision Industry Co., Ltd.	Other related party (Note 2)
LUXSHARE PRECISION SINGAPORE PTE. LT	Other related party (Note 2)
Luxshare Precision (Ngee Ann) Company Limited.	Other related party (Note 2)
GUANGZHOU LUXVISIONS INNOVATION TECHNOLOGY LIMITED.	Other related party (Note 2)
Dongguan Leader Precision Industry Co., Ltd	Other related party (Note 2)
Taiwan Reading Culture Foundation	Other related party (Note 3)

Note 1: The Company acquired a directorship seat of SYNergy ScienTech Corp on May 30, 2024.
Note 2: A corporate director of the Group’s subsidiary, MEVN, and the entity both belong to Luxshare Group.
Note3: The chairman of the Company and of the foundation is the same person.

(2) Significant related party transactions

A. Operating revenue

	Three months ended June 30	
	2025	2024
Sales of goods		
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 517,243	$ 298,508
Luxshare Precision Limited	69,459	34,036
Other related party	9,718	9,640
Affiliated company	2,115	3,791
	$ 598,535	$ 345,975

	Six months ended June 30	
	2025	2024
Sales of goods		
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 698,265	$ 367,467
Luxshare Precision Limited	103,861	98,844
Other related party	12,227	15,649
Affiliated company	5,631	6,553
	$ 819,984	$ 488,513

The prices of goods sold to related parties are based on the different product's profitability and adjusted annually as there is no comparable transaction for the goods sold to the third parties, and the prices of purchases on behalf of related parties are based on the cost plus mark-ups of 2~ 3%. The credit terms to related parties are 60 to 120 days end of month and 30 to 120 days end of month to the third parties.

B. Purchases

	Three months ended June 30	
	2025	2024
Purchases of goods		
MECE	$ 1,777,496	$ 1,894,233
MECH	783,512	1,443,898
Affiliated company	352,994	307,337
Other related party	90,608	180,160
	$ 3,004,610	$ 3,825,628

	Six months ended June 30	
	2025	2024
Purchases of goods		
MECE	$ 4,137,358	$ 4,177,447
MECH	1,410,884	2,700,148
Affiliated company	695,309	556,807
Other related party	145,452	228,426
	$ 6,389,003	$ 7,662,828

Associates and other related parties are the Group's manufacturers of producing products, and the price is made individually based on the profitability of different products. The price will be adjusted once a year. Because the Group do not purchase similar products from non-related parties, no similar transaction can be comparable. The credit terms to associates and other related parties is 60 days to 120 days after monthly billings; and the credit terms to non-related parties is 30 days to 120 days after monthly billings.

C. Receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable:			
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 518,002	$ 440,299	$ 335,453
Other related party	75,385	32,101	52,353
Affiliated company	1,362	2,622	2,000
Total	$ 594,749	$ 475,022	$ 389,806
Other receivable:			
MECH	$ 137,097	$ 305,794	$ 314,890
Affiliated company	194	1,391	601
Total	$ 137,291	$ 307,185	$ 315,491

Other receivables mainly were the purchases of raw materials on behalf of affiliated companies.

D. Payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable:			
MECE	$ 1,166,032	$ 1,951,430	$ 2,023,201
MECH	535,744	616,296	1,450,270
Affiliated company	488,291	557,845	475,913
Other related party	97,966	210,394	175,483
Total	$ 2,288,033	$ 3,335,965	$ 4,124,867
Other payable:			
Affiliated company	$ 85,006	$ 98,054	$ 38,046
Other related party	21,230	14,326	-
Total	$ 106,236	$ 112,380	$ 38,046

Other payables mainly were mold developing expense that affiliated company paid on behalf of the parent company.

E. Equipment Payables(shown as other payables)

	June 30, 2025	December 31, 2024	June 30, 2024
MECH	$ 2,935	$ 3,172	$ 601

F. Property transactions

Acquisition of property, plant and equipment:

	Three months ended June 30	
	2025	2024
MECH	$ 132	$ 597
Other related party	-	387
	$ 132	$ 984

	Six months ended June 30	
	2025	2024
MECH	$ 1,026	$ 903
Other related party	-	387
	$ 1,026	$ 1,290

(3) Key management compensation

	Three months ended June 30	
	2025	2024
Short-term employee benefits	$ 9,836	$ 30,285
Post-employment benefits	52	51
Share-based payments	9,380	7,309
	$ 19,268	$ 37,645

	Six months ended June 30	
	2025	2024
Short-term employee benefits	$ 32,714	$ 56,175
Post-employment benefits	104	101
Share-based payments	18,760	15,531
	$ 51,578	$ 71,807

8. PLEDGED ASSETS

	Book value			
	June 30, 2025	December 31, 2024	June 30, 2024	Purpose
Property, plant and equipment	$ 123,659	$ 138,972	$ 169,959	Long-term borrowings

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Capital expenditures contracted for at the balance sheet date but not yet incurred is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and equipment	$ 350,900	$ 456,503	$ 68,538
Intangible assets	1,593	1,370	700
	$ 352,493	$ 457,873	$ 69,238

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

No significant change for the period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2024.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 936,204	$ 699,551	$ 221,383
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 300,686	$ 338,120	$ 349,993
Financial assets at amortized cost/ Loans and receivables			
Cash and cash equivalents	$ 10,001,604	$ 8,586,894	$ 8,838,146
Financial assets at amortized at cost	774,675	639,409	698,974
Accounts receivable (including due from related parties)	9,127,734	11,709,469	9,377,228
Other receivables (including due from related parties)	412,429	382,903	775,464
Guarantee deposits paid	45,909	52,989	51,255
	$ 20,362,351	$ 21,371,664	$ 19,741,067

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	$ 51,726	$ -	$ 5
Short-term borrowings	2,121,047	366,659	1,824,701
Accounts payable (including payable to related parties)	9,960,422	10,423,379	10,836,871
Other payable (including payable to related parties)	3,526,476	1,718,469	2,254,507
Lease liability	90,432	116,138	149,187
Corporate bonds payable (including maturing within one year or one operating	2,883,908	2,856,278	1,189,784

	June 30, 2025	December 31, 2024	June 30, 2024
cycle)			
Long-term borrowings (including maturing within one year or one operating cycle)	288,902	525,402	1,231,284
Guarantee deposits received	8,619	10,214	16,615
	$ 18,931,532	$ 16,016,539	$ 17,502,954

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

(b) Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. Such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk was provided in Note 6 (2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currencies, primarily with respect to the USD, RMB and HKD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

ii. The Group's management has a policy specifying that the companies within the Group manage the foreign exchange rate risk of its functional currency. Each company should hedge against its overall foreign exchange rate risk through the Group's finance department. The foreign exchange rate risk is measured through the expected transaction with highly probable expenditures in US dollars, in which the foreign exchange forward contract is adopted to reduce the impact on the fluctuation of foreign exchange rate over the expected purchase cost of inventories.

iii. The Group's foreign exchange rate risk is hedged through foreign exchange forward contract, while the hedge accounting is not adopted. Please refer to Note 6 (2) for the financial assets or liabilities measured at fair value through profit or loss.

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, RMB, HKD, THB, CAD and MYR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

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(Foreign currency: functional currency)	June 30, 2025 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	December 31, 2024 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	June 30, 2024 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)
Financial assets									
Monetary items									
Cash in banks									
USD : NTD	$ 49,454	29.30	$ 1,449,002	$ 83,092	32.79	$ 2,724,171	$ 77,526	32.45	$ 2,515,719
RMB : NTD	2,186	4.09	8,943	120,375	4.48	539,039	140,451	4.45	624,305
USD : HKD	1,448	7.85	42,426	2,212	7.77	72,520	1,277	7.81	41,439
USD : RMB	14,730	7.16	431,589	25,231	7.32	827,198	24,768	7.30	803,722
USD : THB	6,733	32.31	197,277	2,099	34.07	68,816	9,350	36.60	303,408
Receivables									
USD : HKD	$ 159	7.85	$ 4,659	$ 175	7.77	$ 5,737	$ 1,814	7.81	$ 58,864
USD : NTD	310,094	29.30	9,085,745	300,448	32.79	9,850,187	252,978	32.45	8,209,125
USD : RMB	104,007	7.16	3,047,405	98,332	7.32	3,223,815	83,364	7.30	2,705,162
USD : THB	39,654	32.31	1,161,862	45,321	34.07	1,485,849	26,208	36.60	850,450
RMB : NTD	-	-	-	44,100	4.48	197,480	98,173	4.45	436,379
Non-monetary items									
Investments accounted for under equity method									
USD : NTD	$ 111,986	29.30	$ 3,281,182	$ 111,801	32.79	$ 3,665,410	$ 106,822	32.45	$ 3,466,384
HKD : NTD	360,185	3.73	1,344,210	326,313	4.22	1,377,693	350,336	4.16	1,455,646
Financial liabilities									
Monetary items									
Financial liabilities held for trading - current									
USD : NTD	$ 1,720	30.07	$ 51,726	$ -	-	$ -	$ -	-	$ -

(Foreign currency: functional currency)	June 30, 2025 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	December 31, 2024 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	June 30, 2024 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)
Bank loan									
USD : NTD	$ 50,000	29.30	$ 1,465,000	$ -	-	$ -	$ -	-	$ -
RMB : NTD	52,988	4.09	216,773	54,064	4.48	242,097	52,359	4.45	232,736
Payables									
RMB : NTD	$ 156,072	4.09	$ 638,491	$ 237,938	4.48	$ 1,065,486	$ 261,068	4.45	$ 1,160,447
USD : NTD	283,456	29.30	8,305,261	287,092	32.79	9,412,311	275,834	32.45	8,950,813
USD : RMB	37,777	7.16	1,106,866	46,072	7.32	1,510,471	36,821	7.30	1,194,841

(Foreign currency: functional currency)	June 30, 2025 Sensitivity analysis Degree of variation	Effect on profit or loss	Effect on other comprehensive income	December 31, 2024 Sensitivity analysis Degree of variation	Effect on profit or loss	Effect on other comprehensive income	June 30, 2024 Sensitivity analysis Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets									
Monetary items									
Cash in banks									
USD : NTD	3%	$ 43,470	$ -	3%	$ 81,725	$ -	3%	$ 75,472	$ -
RMB : NTD	3%	268	-	3%	16,171	-	3%	18,729	-
USD : HKD	3%	1,273	-	3%	2,176	-	3%	1,243	-
USD : RMB	3%	12,948	-	3%	24,816	-	3%	24,112	-
USD : THB	3%	5,918	-	3%	2,064	-	3%	9,102	-
Receivables									
USD : HKD	3%	$ 140	$ -	3%	$ 172	$ -	3%	$ 1,766	$ -
USD : NTD		272,572			295,506			246,274	
USD : RMB	3%	91,422	-	3%	96,714	-	3%	81,155	-
USD : THB	3%	34,856	-	3%	44,575	-	3%	25,513	-
RMB : NTD	3%	-	-	3%	5,924	-	3%	13,091	-

(Foreign currency: functional currency)	June 30, 2025			December 31, 2024			June 30, 2024		
	Sensitivity analysis			Sensitivity analysis			Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Non-monetary items									
Investments accounted for under equity method									
USD : NTD	3%	$ -	$ 98,435	3%	$ -	$ 109,962	3%	$ -	$ 103,992
HKD : NTD	3%	-	40,326	3%	-	41,331	3%	-	43,669
Financial liabilities									
Monetary items									
Financial liabilities held for trading - current									
USD : NTD	3%	$ 1,552	$ -	3%	$ -	$ -	3%	$ -	$ -
Bank loan									
USD : NTD	3%	$ 43,950	$ -	3%	$ -	$ -	3%	$ -	$ -
RMB : NTD	3%	6,503	-	3%	7,263	-	3%	6,982	-
Payables									
RMB : NTD	3%	$ 19,155	$ -	3%	$ 31,965	$ -	3%	$ 34,813	$ -
USD : NTD	3%	249,158	-	3%	282,369	-	3%	268,524	-
USD : RMB	3%	33,206	-	3%	45,314	-	3%	35,845	-

Total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2025 and 2024 amounted to a loss of $472,467 thousand, a gain of $128,818 thousand, a loss of $359,384 thousand, and a gain of $259,017 thousand, respectively.

Price risk

i. The Group’s equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group’s investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 3% with all other variables held constant, post-tax profit for the six months ended June 30, 2025 and 2024 would have increased/decreased by $1,289 thousand and $1,364 thousand, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $9,021 thousand and $10,500 thousand, respectively, as a result of other comprehensive income classified as available-for-sale equity investment and equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group’s borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

ii. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit (loss), net of tax for the six months ended June 30, 2025 and 2024 would have increased/decreased by $2,410 thousand and $3,056 thousand, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

iii. If the Current investments in debt instrument interest rate had increased/decreased by 0.25% with all other variables held constant, profit (loss), net of tax for the six months ended June 30, 2025 and 2024 would have decreased/increased by $859 thousand and $166 thousand, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost, at fair value through profit or loss and at fair value through other comprehensive income.

ii. In accordance with the internal and explicit credit policy, each operating entities within the Group shall conduct management and credit risk analysis for each new customer before setting the terms and conditions for payment and delivery. The internal risk control system assesses the credit quality of the customer by taking into account its financial position, past experience and other factors. The limits of individual risks are set by the Board of Directors according to internal or external ratings, and the use of credit limits is regularly monitored. The main credit risk comes from cash and cash equivalents and deposits with banks and financial institutions. It also comes from customers' credit risks and includes outstanding receivables. For banks and financial institutions, only good credit rating agencies will be accepted as trading counterparts.

iii. For banks and financial institutions, the Group transacts with a variety of banks and financial institutions, mainly domestic and overseas well-known financial institutions, to avoid concentration in any single counterparty and to minimize credit risk. The Group can only enter into the financial services and loan agreement provided by banks and financial institutions after being approved by the Board of Directors or authorized management according to the Company's delegation of authorization policy. To prevent legal risks, all the Group signs with banks and financial institutions after all documents are examined by counsel or legal advisor profession. The Group periodically checks the credit rating, conditions and quality of service as well as transactions. According to the Group's operating condition, the credit limits and utilization of credit limits are monitored on a regular basis and maintained within a reasonable range to ensure it meets the needs of the operation.

iv. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

v. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

(ii) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

vii. The Group classifies customers' accounts receivable, contract assets in accordance with geographic area. The Group applies the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis.

viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

ix. The Group used the forecastability of adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. As of June 30, 2025, December 31, 2024 and June 30, 2024, the provision matrix is as follows:

June 30, 2024	Expected loss rate	Total book value	Loss allowance
Not past due	0.02%	$ 8,412,648	$ 2,050
Up to 30 days	0.69%	119,405	821
31~90 days	28.37%	5,309	1,506
91~180 days	100.00%	722	722
Over 180 days	100.00%	39,803	39,803
		$ 8,577,887	$ 44,902

December 31, 2024	Expected loss rate	Total book value	Loss allowance
Not past due	0.02%	$ 11,190,671	$ 2,647
Up to 30 days	2.01%	45,293	909
31~90 days	34.94%	3,134	1,095
91~180 days	100.00%	3,263	3,263
Over 180 days	100.00%	36,744	36,744
		$ 11,279,105	$ 44,658

June 30, 2024	Expected loss rate	Total book value	Loss allowance
Not past due	0.04%	$ 8,810,861	$ 3,144
Up to 30 days	3.04%	180,200	5,478
31~90 days	28.17%	6,937	1,954
91~180 days	100.00%	10,125	10,125
Over 180 days	100.00%	29,230	29,230
		$ 9,037,353	$ 49,931

x. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2025	2024
	Accounts receivable	Accounts receivable
At January 1	$ 44,658	$ 16,839
Allowance of impairment loss	3,348	32,627
Effect of foreign exchange	(3,104)	465
At June 30	$ 44,902	$ 49,931

xi. For investments of financial assets at amortized cost, the credit rating levels are presented below:

	June 30, 2025	December 31, 2024	June 30, 2024
	Lifetime	Lifetime	Lifetime
	12 months	12 months	12 months
Financial assets at amortized cost			
Group 1	$ 724,675	$ 589,409	$ 648,974
Group 2	50,000	50,000	50,000
	$ 774,675	$ 639,409	$ 698,974

Group 1: Time deposits designated as investment grade.

Group 2: Debt instruments designated as investment grade.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. The table below analyses the Group’s non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

iv.The Group has $13,054,650 thousand, $16,200,084 thousand and $14,405,167 thousand in undrawn borrowing facilities as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

Non-derivative financial liabilities

June 30, 2025	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 2,029,502	$ 113,456	$ -	$ -	$ -	$ 2,142,958
Accounts payable	5,391,647	2,280,742	-	-	-	7,672,389
Accounts payable - related parties	1,700,858	587,175	-	-	-	2,288,033
Other payables (including related parties)	3,217,230	309,246	-	-	-	3,526,476
Lease liabilities	8,960	19,967	27,433	37,138	3,652	97,150
Bonds payable	-	-	-	3,000,000	-	3,000,000
Long-term borrowings	20,075	137,216	91,157	5,187	53,176	306,811
Derivative financial liabilities						
Forward exchange contracts	51,726	-	-	-	-	51,726

Non-derivative financial liabilities

December 31, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 19,154	$ 351,284	$ -	$ -	$ -	$ 370,438
Accounts payable	5,761,635	1,325,779	-	-	-	7,087,414
Accounts payable - related parties	3,203,511	132,454	-	-	-	3,335,965
Other payables (including related parties)	1,400,893	317,576	-	-	-	1,718,469
Lease liabilities	23,407	33,654	26,956	37,236	7,071	128,324
Bonds payable	-	-	-	3,000,000	-	3,000,000
Long-term borrowings	91,283	203,558	177,578	18,494	62,253	553,166

Non-derivative financial liabilities

June 30, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 1,762,735	$ 68,479	$ -	$ -	$ -	$ 1,831,214
Accounts payable	4,704,893	2,007,111	-	-	-	6,712,004
Accounts payable - related parties	3,822,952	301,915	-	-	-	4,124,867
Other payables (including related parties)	2,192,156	62,351	-	-	-	2,254,507
Lease liabilities	23,943	67,294	21,747	37,054	10,131	160,169
Bonds payable	1,191,100	-	-	-	-	1,191,100
Long-term borrowings	117,464	303,806	594,376	211,442	95,102	1,322,190
Derivative financial liabilities						
Forward exchange contracts	5	-	-	-	-	5

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability takes place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in certain derivative instruments and equity instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain derivative instruments, equity investment without active market and is included in Level 3.

B. Financial instruments not measured at fair value

(1) Except for those listed in the table below, financial instruments not measured at fair value include the carrying amounts of cash and cash equivalents, accounts receivable, other receivables, long-term and short-term bank borrowings, accounts payable and other payables are approximate to their fair values.

	June 30, 2025			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 2,883,908	$ -	$2,826,871	$ -

	December 31, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 2,856,278	$ -	$2,760,265	$ -

	June 30, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 1,189,784	$ -	$1,190,192	$ -

(2) Bonds payable: They are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 42,983	$ 42,983
-Forward exchange contracts	-	34,049	-	34,049
-Fund	841,722	-	-	841,722
-Call options of convertible bonds	-	-	650	650
-Stocks	16,800	-	-	16,800
Financial liabilities at fair value through other comprehensive income				
- Equity securities	108,456	-	192,230	300,686
	$ 966,978	$ 34,049	$ 235,863	$ 1,236,890
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
-Forward exchange contracts	$ -	$ 51,726	$ -	$ 51,726

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 43,075	$ 43,075
-Forward exchange contracts	-	7,603	-	7,603
-Fund	631,374	-	-	631,374
-Call options of convertible bonds	-	-	600	600
-Stocks	16,899	-	-	16,899
Financial liabilities at fair value through other comprehensive income				
- Equity securities	105,910	-	232,210	338,120
	$ 754,183	$ 7,603	$ 275,885	$ 1,037,671

June 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 45,457	$ 45,457
-Forward exchange contracts	-	9,587	-	9,587
-Fund	147,159	-	-	147,159
-Stocks	19,180	-	-	19,180
Financial liabilities at fair value through other comprehensive income				
- Equity securities	104,560	-	245,433	349,993
	$ 270,899	$ 9,587	$ 290,890	$ 571,376
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
-Forward exchange contracts	$ -	$ 5	$ -	$ 5

D. The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund
Market quoted price	Closing price at evaluation date	Net asset value at evaluation date

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods.

iii. Forward exchange contracts are usually valued based on the current forward exchange rate.

iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

E. For the six months ended June 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the six months ended June 30, 2025 and 2024:

	Six months ended June 30	
	2025	2024
At January 1	$ 275,885	$ 695,351
Sold in the period	-	(280,000)
Transferred to Investments accounted for using the equity method	-	(124,604)
Losses recognized in (loss) gains	(42)	(371)
(Losses) gains recognized in other comprehensive income	(39,980)	514
At June 30	$ 235,863	$ 290,890

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:					
Equity securities	$ 144,226	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital	42,983	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)	48,004	Market price method	Discount for lack of marketability	34.48%	The higher the discount for marketability, the lower the fair value
Call options of convertible bonds	650	Binary tree convertible bond valuation model	Risk-free interest rate	1.2646%~ 1.2657%	The higher the risk-free interest rate, the lower the fair value
			Stock price	110.0	The higher the stock price, the higher the fair value
			Volatility	38.29%	The higher the stock price volatility, the higher the fair value

	Fair value at December 31, 2024		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:						
Equity securities	$	158,009	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital		43,075	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)		74,201	Market price method	Discount for lack of marketability	34.10%	The higher the discount for marketability, the lower the fair value
Call options of convertible bonds		600	Binary tree convertible bond valuation model	Risk-free interest rate	1.4456%~ 1.4472%	The higher the risk-free interest rate, the lower the fair value
				Stock price	108.0	The higher the stock price, the higher the fair value
				Volatility	32.85%	The higher the stock price volatility, the higher the fair value

	Fair value at June 30, 2024		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:						
Equity securities	$	146,825	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital		45,457	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)		98,608	Market price method	Discount for lack of marketability	36.1%	The higher the discount for marketability, the lower the fair value

H. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			June 30, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 14,423	($ 14,423)

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 15,801	($ 15,801)

			June 30, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 14,683	($ 14,683)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

F. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6 (2) and Note 12 (2).

G. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in Mainland China: Please refer to table 1, table 3, table 4 and table 5.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. Business organization is divided into Taiwan, Shenzhen, Singapore and other segments based on the operating regions. The Company's revenue is mainly from manufacturing and sales of microphones, receivers, speakers and other electronic components.

(2) Measurement of segment information

The Group evaluates the performance of the operating segments based on post-tax profit or loss.

(3) Information about segment profit or loss, assets and liabilities

A. The segment information provided to the chief operating decision-maker for the reportable segments for the six months ended June 30, 2025 is as follows:

	2025				
	Taiwan	Shenzhen	Singapore	Vietnam	Total
Revenue					
Revenue from external customers	$ 14,426,101	$ 323,601	$ 2,965,951	$ 799,242	$ 18,514,895
Inter-segment revenue	2,795	4,549,535	760	3,254,466	7,807,556
Total revenue	$ 14,428,896	$ 4,873,136	$ 2,966,711	$ 4,053,708	$ 26,322,451
Segment pre-tax profit (loss)	$ 301,674	($ 160,760)	$ 219,851	$ 343,471	$ 704,236

Note: The Group does not use segment information relating to assets and liabilities to evaluate segment performance. As a result, such assets and liabilities to be disclosed amounted to $0.

B. The segment information provided to the chief operating decision-maker for the reportable segments for the six months ended June 30, 2024 is as follows:

	2024				
	Taiwan	Shenzhen	Singapore	Vietnam	Total
Revenue					
Revenue from external customers	$ 13,811,572	$ 198,510	$ 3,738,009	$ 466,311	$ 18,214,402
Inter-segment revenue	10,922	5,266,331	-	1,910,521	7,187,774
Total revenue	$ 13,822,494	$ 5,464,841	$ 3,738,009	$ 2,376,832	$ 25,402,176
Segment pre-tax profit (loss)	$ 477,427	$ 141,375	$ 392,458	$ 301,214	$ 1,312,474

Note: The Group does not use segment information relating to assets and liabilities to evaluate segment performance. As a result, such assets and liabilities to be disclosed amounted to $0

C. The Group’s reportable operating segments are classified based on the operating regions.

D. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4. The Group’s segment profit (loss) is measured with the current profit (loss), which is used as a basis for the Group in assessing the performance of the operating segments.

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm’s length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

i. A reconciliation of income after adjustment and total segment income from continuing operations is provided as follows:

	Six months ended June 30	
	2025	2024
Adjusted revenue from reportable segments	$ 26,322,451	$ 25,402,176
Adjusted revenue from other operating segments	3,384,057	3,126,970
Total operating segments	29,706,508	28,529,146
Elimination of inter-segment revenue	(10,521,762)	(9,881,496)
Total consolidated operating revenue	$ 19,184,746	$ 18,647,650

ii. A reconciliation of adjusted current income before tax and the income before tax from continuing operations is provided as follows:

	Six months ended June 30	
	2025	2024
Adjusted income from reportable segments before income tax	$ 704,236	$ 1,312,474
Adjusted income (loss) from other operating segments before income tax	513,431	744,867
Total operating segments	1,217,667	2,057,341
Elimination of inter-segment income	(680,237)	(744,611)
Income from continuing operations before income tax	$ 537,430	$ 1,312,730

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Loans to others

Six months ended June 30, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance for the six months ended June 30, 2025	Balance at June 30, 2025	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transaction with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note 1)	Ceiling on total loans granted (Note 1)	Footnote
1	MESG	MENA	Other receivables	Y	$ 58,600	$ 58,600	$ 58,600	4.31	2	$ -	Business operation	$ -	-	$ -	2,540,171	2,540,171	
1	MESG	MENA	Other receivables	Y	117,200	117,200	117,200	3.73~4.83	2	-	Business operation	-	-	-	2,540,171	2,540,171	
1	MESG	SENM	Other receivables	Y	43,950	43,950	14,650	3.52	2	-	Business operation	-	-	-	2,540,171	2,540,171	
1	MESG	SENM	Other receivables	Y	29,300	29,300	14,650	4.64	2	-	Business operation	-	-	-	2,540,171	2,540,171	
2	MECL	FUXM	Other receivables	Y	53,183	-	-	-	2	-	Business operation	-	-	-	1,370,966	3,427,415	
2	MECL	ASCX	Other receivables	Y	32,728	32,728	10,228	2.80	2	-	Business operation	-	-	-	1,370,966	3,427,415	
2	MECL	FUXM	Other receivables	Y	53,183	53,183	53,183	2.80	2	-	Business operation	-	-	-	1,370,966	3,427,415	

Note 1:(1) The ceiling on MESG total loans to others is MESG’s net assets; for short-term financing, the limit to a single party is 40% of MESG’s net assets.

(2) The ceiling on MECL total loans to others is MECL’s net assets; for short-term financing, the limit to a single party is 40% of MECL’s net assets.

(3)The restrictions in (1) shall not apply to short-term financing among affiliates in the group. The limit to a single party is MESG’s net assets.

(4) For MESG’s and MECL’s business transactions, limit on loans granted for a single party is the amount of the transactions.

Note 2:(1) For MESG’s and MECL’s business transactions.

(2) For short-term financing.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
June 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

				As of June 30, 2025				
Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	Number of shares	Book value (in thousands)	Ownership (%)	Fair value (in thousands)	Note
The Company	Fund - 76324296A KGI Taiwan Multi-Asset Income Fund A TWD	-	Financial assets mandatorily measured at fair value through profit or loss - current	957	$ 9,780	-	$ 12,163	
The Company	Fund - UPAMC Wealthy Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	3,000	30,000	-	35,150	
The Company	Stock-Foxtron Vehicle Technologies	-	Financial assets mandatorily measured at fair value through profit or loss - current	400	20,480	-	16,800	
The Company	Fund -Taishin Ta-Chong Money Market Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	16,139	240,000	-	241,014	
The Company	Fund - CTBC Hua Win Money Market Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	22,577	260,000	-	261,052	
The Company	UPAMC James Bond Money Market Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	16,001	280,000	-	280,472	
MUTT	Fund - Taishin 1699 Money Market Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	833	11,582	-	11,871	
					851,842		$ 858,522	
			Valuation adjustment		6,680			
					$ 858,522			
The Company	Fund - JAFCO	-	Financial assets mandatorily measured at fair value through profit or loss - non-current	870	$ 26,220	0.71%	$ 23,127	
The Company	Fund-WK Technology	-	Financial assets mandatorily measured at fair value through profit or loss - non-current	2,000	20,000	1.78%	19,856	
					46,220		$ 42,983	
			Valuation adjustment		(3,237)			
					$ 42,983			
The Company	Stock - 2881B.TW	-	Equity instruments measured at fair value through OCI - current	683	$ 40,980	-	$ 42,756	
The Company	Stock - 2882B.TW	-	Equity instruments measured at fair value through OCI - current	585	35,100	-	35,100	
The Company	Stock - 5871A	-	Equity instruments measured at fair value through OCI - current	300	30,000	-	30,600	
					106,080		$ 108,456	
					2,376			
					$ 108,456			
The Company	Stock - 4943.TW	-	Measured at fair value through other comprehensive income - non-current	7,712	$ 648,164	6.21%	$ 48,004	
The Company	Stock - FUJITER Semiconductor CO.,LTD.	-	Measured at fair value through other comprehensive income - non-current	2,126	27,811	9.79%	16,135	
The Company	Stock - NETVOX TECHNOLOGY CO., LTD	-	Measured at fair value through other comprehensive income - non-current	324	2,976	1.32%	-	
The Company	Stock - -EVER THAI AGRI-PRODUCT CO.,LTD.	-	Measured at fair value through other comprehensive income - non-current	683	6,425	4.64%	2,212	
The Company	Stock - -SUNSINO SME Development Co., Ltd.	-	Measured at fair value through other comprehensive income - non-current	169	2,123	0.36%	2,559	
The Company	Stock - -LINSATION Intelligent Technology Limited	-	Measured at fair value through other comprehensive income - non-current	75	8,772	6.19%	2,684	
The Company	Stock - MERRY FULING CO., LTD., TAIWAN BRANCH (SAMOA)	-	Measured at fair value through other comprehensive income - non-current	356	10,437	19.00%	10,420	
					706,708		$ 82,014	
			Valuation adjustment		(624,694)			
					$ 82,014			
MEST	Stock - Perfect Fortune Inc	-	Measured at fair value through other comprehensive income - non-current	2,126	$ 7,936	18.33%	$ 84,738	
MEST	Stock - LOYAL WIRE& CABLE COMPANY LTD	-	Measured at fair value through other comprehensive income - non-current	1,159	7,650	18.33%	20,978	
ASCX	Stock - Beijing Wanling Hearing Aids	-	Measured at fair value through other comprehensive income - non-current	-	4,500	19.64%	4,500	
					20,086		$ 110,216	
			Valuation adjustment		90,130			
					$ 110,216			
The Company	Bond - P13 Fubon Life Insurance 1A	-	Financial assets at amortized cost – non-current	-	$ 50,000	-	$ 50,000	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more
Six months ended June 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchase/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (Note 2)	Percentage of total notes/ accounts receivable payable	Note
The Company	MECL	A subsidiary of the Company	Purchases	$ 4,300,435	22%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	($ 3,164,741)	32%	(Note 3)
The Company	MEVN	A subsidiary of the Company	Purchases	3,275,434	17%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,492,781)	15%	(Note 3)
The Company	MECH	Investment accounted for using the equity method	Purchases	1,380,237	7%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(520,035)	5%	
The Company	MECE	Investment accounted for using the equity method	Purchases	4,137,358	22%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,166,032)	12%	
The Company	METC	A subsidiary of the Company	Purchases	146,338	1%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	-	0%	(Note 3)
METC	The Company	Parent company	Purchases	2,626,629	14%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(2,608,123)	26%	(Note 3)
MESG	MECL	Parent company	Purchases	268,362	1%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(141,009)	1%	(Note 3)
MESG	METC	Parent company	Purchases	2,429,236	13%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,105,113)	11%	(Note 3)
METC	DONPON	Associates	Purchases	360,589	2%	120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(209,897)	2%	
MECL	DONPON	Associates	Purchases	192,177	1%	120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(172,478)	2%	
MEVN	LUXSHARE PRECISION SINGAPORE PTE.LT	Associates	(Sales)	695,381	4%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	514,950	5%	
MEVN	Luxshare Precision Limited	Associates	(Sales)	103,861	1%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	63,126	1%	
MEVN	Luxshare Precision Limited	Associates	Purchases	102,345	1%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(67,455)	1%	
MEVN	The Company	Parent Company	Purchases	317,625	2%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(220,099)	2%	(Note 3)

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more
Six months ended June 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Note 1: For purchase transactions with related parties, the price is based on the profitability of the product and will be adjusted annually.
Note 2: The balance is the net amount after offsetting accounts receivable and payable due from/ to related parties.
Note 3: Inter-company transactions between companies within the Group are eliminated.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching $100 million or 20% of paid-in capital or more
June 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance of accounts receivable due from related party: General ledger account	Balance of accounts receivable due from related party: Amount	Turnover rate	Overdue receivables: Amount	Overdue receivables: Action taken	Amount collected subsequent to the balance sheet date (Note2)	Allowance for doubtful accounts	Note
The Company	METC	A subsidiary of the Company	Other Receivable	$ 2,608,123	-	$ -	-	$ -	$ -	(Note 1、3)
The Company	MEVN	A subsidiary of the Company	Other Receivable	220,099	-	-	-	-	-	(Note 1、3)
MECL	The Company	Parent Company	Accounts receivable	3,164,741	2.50	-	-	-	-	(Note 1)
MECL	MESG	A subsidiary of the Company	Accounts receivable	141,009	3.37	-	-	61,053	-	(Note 1)
METC	MESG	A subsidiary of the Company	Accounts receivable	1,105,113	3.89	-	-	287,799	-	(Note 1)
MEVN	The Company	Parent Company	Accounts receivable	1,492,781	3.81	-	-	354,555	-	(Note 1)
MEVN	LUXSHARE PRECISION SINGAPORE PTE.LT	A other related party of the Group	Accounts receivable	514,950	1.46	-	-	39,222	-	
MESG	MENA	A subsidiary of the Company	Other Receivable	175,800	-	-	-	-	-	(Note 1、3)

Note 1: Inter-company transactions between companies within the Group are eliminated.
Note 2: The balance was as at July 24, 2025.
Note 3: The amount comprises other receivables and thus, the turnover rate is not calculated.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Six months ended June 30, 2025

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	MEHO	MECL	1	Purchases	$ 4,300,435	The price is based on the profitability of the product	22%
0	MEHO	MECL	1	Accounts payable	3,164,741	60~65 days end of month after offsetting with accounts receivable	8%
0	MEHO	MEVN	1	Purchases	3,275,434	The price is based on the profitability of the product	17%
0	MEHO	MEVN	1	Accounts payable	1,492,781	60~65 days end of month after offsetting with accounts receivable	4%
0	MEHO	METC	1	Purchases	146,338	The price is based on the profitability of the product	1%
1	METC	MEHO	2	Purchases	2,626,629	The price is based on the profitability of the product	14%
1	METC	MEHO	2	Accounts payable	2,608,123	60~120 days end of month after offsetting with accounts receivable	7%
2	MEVN	MEHO	2	Purchases	317,625	The price is based on the profitability of the product	2%
2	MEVN	MEHO	2	Accounts payable	220,099	60~65 days end of month after offsetting with accounts receivable	1%
3	MESG	MECL	3	Purchases	268,362	The price is based on the profitability of the product	1%
3	MESG	MECL	3	Accounts payable	141,009	60~65 days end of month after offsetting with accounts receivable	0%
3	MESG	METC	3	Purchases	2,429,236	The price is based on the profitability of the product	13%
3	MESG	METC	3	Accounts payable	1,105,113	60~65 days end of month after offsetting with accounts receivable	3%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
1. Parent company is ‘0’.
2. The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counter party is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees
Six months ended June 30, 2025

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as on June 30, 2025	Initial investment amount: Balance as on December 31, 2024	Shares held as on June 30, 2025: Number of shares (in thousand shares)	Shares held as on June 30, 2025: Ownership (%)	Shares held as on June 30, 2025: Book value	Net profit (loss) of the investee for the year ended June 30, 2025	Investment income (loss) recognized by the Company for the year ended June 30, 2025	Note
The Company	MEST	HONG KONG	Sales of microphone, receiver and speaker	$ 733,733	$ 733,733	19,658	100.00	$ 4,912,395	($ 61,491)	($ 43,451)	(Note 1)
The Company	DDBV	British Virgin IS.	General investment business	1,479,925	1,479,925	48,005	100.00	3,481,442	149,468	143,256	(Note 1)
The Company	LEOHAB ENTERPRISE CO.,LTD.	Taichung City	Plastic injection molding and metal stamping	79,689	79,689	4,036	13.81	80,046	108,706	15,013	
The Company	DONPON PRECISION INC.	Taoyuan City	Various plastic products, mold manufacturing and processing and trading business	386,010	386,010	13,806	15.30	455,935	60,332	5,612	(Note 1)
The Company	SYNergy ScienTech Corp.	Hsinchu City	Research, development, manufacture and sale of secondary lithium batteries	135,869	135,869	7,300	7.78	131,021	(48,433)	(3,607)	(Note 1)
The Company	MECA	U.S.A.	Technique, marketing and after service	28,887	28,887	999	99.90	37,278	3,847	3,844	
The Company	MESG	SINGAPORE	Sales of microphone, receiver and speaker	92,132	92,132	800	100.00	2,540,171	183,025	183,025	
The Company	METC	THAILAND	Microphone, components and product and sale of other electric products	484,358	484,358	5,060	99.99	1,221,519	111,761	111,654	(Note 1)
The Company	MHKY	CAYMAN	General investment business	922,946	857,946	29,992	100.00	405,698	47,896	47,896	
The Company	INSA	SAMOA	General investment business	1,293,008	1,293,008	302	100.00	286,633	(41,603)	(41,603)	
The Company	MEVN	VIETNAM	Manufacture of microphone and speaker	366,710	366,710	-	51.00	1,149,085	297,991	162,272	(Note 1)
The Company	MUTT	New Taipei City	Manufacturing and application service of electrical appliances and audiovisual electronic products	30,600	30,600	3,060	51.00	12,724	(268)	(137)	
The Company	MCTT	Taichung City	General investment business	8,000	8,000	800	100.00	11,680	3,029	3,029	
The Company	MAC FUND	Taipei City	General investment business	149,333	149,333	-	42.67	244,567	207,114	88,375	
MESG	MEMP	Malaysia	Research and development of microphone, receiver and speaker	15,969	15,969	2,400	100.00	9,876	660	-	(Note 2)
MCTT	MAC FUND	Taipei City	General investment business	3,500	3,500	-	1.00	5,732	207,114	2,071	
DDBV	MTHK	HONG KONG	General investment business	1,392,956	1,392,956	48,000	100.00	3,281,182	149,468	-	(Note 2)
MHKY	FUSA	SAMOA	General investment business	860,943	795,943	28,078	100.00	397,577	48,426	-	(Note 2)
INSA	MENA	CANADA	Sale and development of speaker and power amplifier	92,445	92,445	56,954	100.00	(97,844)	(28,478)	-	(Note 2)
MENA	SENM	NORWAY	Manufacture and sales of speaker monomer	23	23	-	100.00	49,114	30	-	(Note 2)

Note 1: The investment income included unrealized gains or losses and realized gains arising from upstream transactions.
Note 2: The investee is second subsidiary and investment income (loss) is not shown.
Note 3: Please refer to Note 4 (3).

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees in Mainland China
Six months ended June 30, 2025

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

					Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for six months ended June 30, 2025								
Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2025	Net income of investee for six months ended June 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for six months ended June 30, 2025	Book value of investments in Mainland China as of June 30, 2025 (Note 4)	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2025	Note
MSCS	Manufacture of speaker and amplifier	$ 141,436	(Note 1)	$ 110,497	$ -	$ -	$ 110,497	($ 5,918)	100.00%	($ 5,918)	$ 118,490	$ -	
MECL	Microphone, receiver, speaker, security system, induction cooker and other electronic component	390,052	(Note 2)	453,191	-	-	453,191	(137,041)	100.00%	(137,041)	3,427,415	2,282,120	Note 3
MECE	Manufacture and sales of microphone, receiver and speaker	2,559,898	(Note 2)	1,369,285	-	-	1,369,285	303,616	49.00%	142,559	3,281,182	295,185	Note 3
MECH	Manufacture and sales of microphone, receiver, speaker and mobile phone	415,890	(Note 2)	426,742	-	-	426,742	163,009	49.00%	92,484	1,344,210	431,543	Note 3
FUSZ	Manufacture of medical device	262,574	(Note 2)	310,763	-	-	310,763	(857)	100.00%	(841)	230,223	-	
ETCX	Retail sales of hearing products	18,410	(Note 2)	19,009			19,009	(920)	100.00%	(901)	(35,955)	-	
ASCX	Manufacture and sales of hearing aid, hearing device and acoustics equipment	107,336	(Note 2)	315,461	-	-	315,461	61,512	100.00%	59,655	112,884	-	
FUXM	Sales of medical device	284,869	(Note 2)	302,995	-	-	302,995	(1,639)	100.00%	(1,603)	24,477	-	
DONG GUAN GET PINK	Manufacture and sales of earphones and speaker	64,433	(Note 2)	-	-	-	-	(3,166)	33.00%	(1,693)	13,288	-	

Note 1: Reinvesting in the investee in Mainland China through the parent company.
Note 2: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
Note 3: The financial statements that are audited and attested by R.O.C. parent company’s CPA.
Note 4: The amount in the table is translated into New Taiwan dollars at the closing exchange rates prevailing at the balance sheet date.
Note 5: Please refer to Note 6 (6).

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees in Mainland China
Six months ended June 30, 2025

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission (MOEA) (Note 6)
Merry Electronics Co., Ltd.	$ 3,307,943	$ 3,748,971	$ 9,261,814

Note 6: (2001) Tai-Cai-Zheng (1) Letter No. 006130 of Securities and Futures Commission, Ministry of Finance, R.O.C