

# **Edison Opto Corporation and Subsidiaries**

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

## INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders  
Edison Opto Corporation

### Introduction

We have reviewed the accompanying consolidated balance sheets of Edison Opto Corporation and its subsidiaries (collectively, the "Group") as of September 30, 2025, the related consolidated statements of comprehensive income for the three months ended September 30, 2025 and for the nine months ended September 30, 2025, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim 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 described in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. These financial statements reflect total assets of NT\$119,135 thousand, representing 2.87% of consolidated total assets as of September 30, 2025; total liabilities of NT\$13,120 thousand, representing 1.07% of consolidated total liabilities as of September 30, 2025; and total comprehensive income (loss) of NT\$29,604 thousand and NT\$4,315 thousand, representing 66.56% and (3.48%) of consolidated total comprehensive income (loss) for the three-month and nine-month periods ended September 30, 2025, respectively. In addition, the information disclosed in Note 34 to the consolidated financial statements was not reviewed by independent auditors.

## **Qualified Conclusion**

Based on our reviews, except for the matter described in the preceding paragraph, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025, its consolidated financial performance for the three months ended September 30, 2025, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## **Other Matter**

The consolidated financial statements of the Group for the nine-month period ended September 30, 2024 were reviewed by another independent auditor, Use other independent auditors is more than one audit firm jointly review the statements who expressed a qualified conclusion on their review report dated November 1, 2024.

The engagement partners on the reviews resulting in this independent auditors’ review report are Shih-Hsuan Peng and Ke-Chang Wu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 6, 2025

## Notice to Readers

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

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

# EDISON OPTO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 1,098,473	27	\$ 1,140,781	27	\$ 1,072,871	27
Financial assets at fair value through profit or loss - current (Note 7)	9,860	-	6,255	-	6,402	-
Financial assets at amortized cost - current (Note 9)	172,856	4	72,822	2	63,979	2
Contract assets - current (Note 20)	9,943	-	2,821	-	13,067	-
Notes receivable (Note 10)	93,936	2	72,733	2	68,307	2
Trade receivables (Note 10)	627,435	15	710,983	17	668,310	16
Trade receivables from related parties (Notes 10 and 28)	10,749	-	-	-	-	-
Other receivables (Notes 10 and 28)	1,233	-	8,540	-	4,772	-
Inventories (Note 11)	283,371	7	299,175	7	309,717	8
Prepayments	46,226	1	51,202	1	48,930	1
Other current assets	15,679	1	11,042	1	14,630	-
Total current assets	<u>2,369,761</u>	<u>57</u>	<u>2,376,354</u>	<u>57</u>	<u>2,270,985</u>	<u>56</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	695	-	1,059	-	1,233	-
Property, plant and equipment (Notes 13 and 29)	1,623,572	39	1,611,539	38	1,615,155	40
Right-of-use assets (Note 14)	68,964	2	49,829	1	53,932	1
Intangible assets	1,581	-	1,163	-	1,106	-
Deferred tax assets (Notes 4 and 22)	46,793	1	52,853	1	56,054	2
Prepayments for equipment	15,212	-	29,757	1	13,969	-
Other non-current assets (Note 29)	22,042	1	62,797	2	20,492	1
Total non-current assets	<u>1,778,859</u>	<u>43</u>	<u>1,808,997</u>	<u>43</u>	<u>1,761,941</u>	<u>44</u>
<b>TOTAL</b>	<u>\$ 4,148,620</u>	<u>100</u>	<u>\$ 4,185,351</u>	<u>100</u>	<u>\$ 4,032,926</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Notes 15 and 28)	\$ 127,565	3	\$ -	-	\$ 148,000	4
Contract liabilities - current (Note 20)	13,232	-	11,491	-	25,678	1
Notes payable	1,548	-	375	-	13,375	-
Trade payables	380,038	9	437,776	10	413,139	10
Other payables (Note 17)	133,364	3	162,296	4	140,815	4
Current tax liabilities (Notes 4 and 22)	16,991	1	24,243	1	16,121	-
Lease liabilities - current (Note 14)	14,506	-	16,636	-	20,156	1
Current portion of long-term borrowings (Notes 15, 28 and 29)	8,050	-	-	-	16,080	-
Other current liabilities	21,346	1	23,766	1	18,831	-
Total current liabilities	<u>716,640</u>	<u>17</u>	<u>676,583</u>	<u>16</u>	<u>812,195</u>	<u>20</u>
<b>NON-CURRENT LIABILITIES</b>						
Bonds payable (Note 16)	282,148	7	276,220	7	-	-
Long-term borrowings (Notes 15, 28 and 29)	152,950	3	-	-	106,160	3
Deferred tax liabilities (Notes 4 and 22)	1,790	-	1,790	-	1,805	-
Lease liabilities - non-current (Note 14)	29,943	1	7,391	-	8,199	-
Other non-current liabilities (Note 17)	38,121	1	39,815	1	39,958	1
Total non-current liabilities	<u>504,952</u>	<u>12</u>	<u>325,216</u>	<u>8</u>	<u>156,122</u>	<u>4</u>
Total liabilities	<u>1,221,592</u>	<u>29</u>	<u>1,001,799</u>	<u>24</u>	<u>968,317</u>	<u>24</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 19)</b>						
Ordinary shares	1,456,094	35	1,436,094	34	1,436,094	36
Capital surplus	1,559,813	38	1,527,876	37	1,506,178	37
Retained earnings						
Legal reserve	24,822	-	10,594	-	10,594	-
Special reserve	28,621	1	26,392	1	26,392	1
Unappropriated earnings (accumulated deficit)	(6,282)	-	144,506	3	105,324	3
Total retained earnings	<u>47,161</u>	<u>1</u>	<u>181,492</u>	<u>4</u>	<u>142,310</u>	<u>4</u>
Other equity						
Exchange differences on translating foreign operations	(196,181)	(4)	(101,880)	(2)	(119,779)	(3)
Unrealized loss on financial assets measured at fair value through other comprehensive income	(1,757)	-	(1,394)	-	(1,220)	-
Unearned compensation	(31,733)	(1)	-	-	-	-
Total other equity	<u>(229,671)</u>	<u>(5)</u>	<u>(103,274)</u>	<u>(2)</u>	<u>(120,999)</u>	<u>(3)</u>
Treasury share	(73,473)	(2)	(34,164)	(1)	(34,164)	(1)
Total equity attributable to owners of the Company	<u>2,759,924</u>	<u>67</u>	<u>3,008,024</u>	<u>72</u>	<u>2,929,419</u>	<u>73</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>167,104</u>	<u>4</u>	<u>175,528</u>	<u>4</u>	<u>135,190</u>	<u>3</u>
Total equity	<u>2,927,028</u>	<u>71</u>	<u>3,183,552</u>	<u>76</u>	<u>3,064,609</u>	<u>76</u>
<b>TOTAL</b>	<u>\$ 4,148,620</u>	<u>100</u>	<u>\$ 4,185,351</u>	<u>100</u>	<u>\$ 4,032,926</u>	<u>100</u>

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

## EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES (Notes 20 and 28)	\$ 568,005	100	\$ 675,195	100	\$ 1,755,031	100	\$ 1,883,338	100
OPERATING COSTS (Note 11)	<u>463,842</u>	<u>82</u>	<u>510,145</u>	<u>75</u>	<u>1,383,789</u>	<u>79</u>	<u>1,414,398</u>	<u>75</u>
GROSS PROFIT	<u>104,163</u>	<u>18</u>	<u>165,050</u>	<u>25</u>	<u>371,242</u>	<u>21</u>	<u>468,940</u>	<u>25</u>
OPERATING EXPENSES (Notes 21 and 28)								
Selling and marketing expenses	31,135	5	40,739	6	99,295	5	114,670	6
General and administrative expenses	50,361	9	47,895	7	153,906	9	140,517	7
Research and development expenses	34,802	6	37,304	6	104,124	6	106,112	6
Expected credit (gain) loss (Note 10)	<u>349</u>	<u>-</u>	<u>(5,200)</u>	<u>(1)</u>	<u>(5,061)</u>	<u>-</u>	<u>766</u>	<u>-</u>
Total operating expenses	<u>116,647</u>	<u>20</u>	<u>120,738</u>	<u>18</u>	<u>352,264</u>	<u>20</u>	<u>362,065</u>	<u>19</u>
PROFIT (LOSS) FROM OPERATIONS	<u>(12,484)</u>	<u>(2)</u>	<u>44,312</u>	<u>7</u>	<u>18,978</u>	<u>1</u>	<u>106,875</u>	<u>6</u>
NON-OPERATING INCOME AND EXPENSES (Notes 21 and 28)								
Interest income	2,768	-	2,798	-	10,230	1	9,951	-
Other income	4,258	1	1,900	-	15,861	1	4,563	-
Other gains and losses	(5,606)	(1)	(7,901)	(1)	(39,594)	(2)	3,972	-
Finance costs	<u>(6,037)</u>	<u>(1)</u>	<u>(2,934)</u>	<u>-</u>	<u>(14,450)</u>	<u>(1)</u>	<u>(7,439)</u>	<u>-</u>
Total non-operating income and expenses	<u>(4,617)</u>	<u>(1)</u>	<u>(6,137)</u>	<u>(1)</u>	<u>(27,953)</u>	<u>(1)</u>	<u>11,047</u>	<u>-</u>
(LOSS) PROFIT BEFORE INCOME TAX	(17,101)	(3)	38,175	6	(8,975)	-	117,922	6
INCOME TAX EXPENSE (Note 22)	<u>6,016</u>	<u>1</u>	<u>4,370</u>	<u>1</u>	<u>13,757</u>	<u>1</u>	<u>10,733</u>	<u>-</u>
NET (LOSS) PROFIT FOR THE PERIOD	<u>(23,117)</u>	<u>(4)</u>	<u>33,805</u>	<u>5</u>	<u>(22,732)</u>	<u>(1)</u>	<u>107,189</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(65)	-	4	-	(363)	-	(244)	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	<u>67,660</u>	<u>12</u>	<u>(14,330)</u>	<u>(2)</u>	<u>(100,862)</u>	<u>(6)</u>	<u>64,145</u>	<u>3</u>
Other comprehensive income (loss) for the period	<u>67,595</u>	<u>12</u>	<u>(14,326)</u>	<u>(2)</u>	<u>(101,225)</u>	<u>(6)</u>	<u>63,901</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 44,478</u>	<u>8</u>	<u>\$ 19,479</u>	<u>3</u>	<u>\$ (123,957)</u>	<u>(7)</u>	<u>\$ 171,090</u>	<u>9</u>

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## EDISON OPTO CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
NET (LOSS) PROFIT								
ATTRIBUTABLE TO:								
Owners of the Company	\$ (24,898)	(4)	\$ 30,717	5	\$ (29,331)	(2)	\$ 103,095	6
Non-controlling interests	<u>1,781</u>	-	<u>3,088</u>	-	<u>6,599</u>	1	<u>4,094</u>	-
	<u>\$ (23,117)</u>	<u>(4)</u>	<u>\$ 33,805</u>	<u>5</u>	<u>\$ (22,732)</u>	<u>(1)</u>	<u>\$ 107,189</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME (LOSS)								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 38,623	7	\$ 17,751	3	\$ (123,995)	(7)	\$ 163,525	9
Non-controlling interests	<u>5,855</u>	<u>1</u>	<u>1,728</u>	-	<u>38</u>	-	<u>7,565</u>	-
	<u>\$ 44,478</u>	<u>8</u>	<u>\$ 19,479</u>	<u>3</u>	<u>\$ (123,957)</u>	<u>(7)</u>	<u>\$ 171,090</u>	<u>9</u>
(LOSS) EARNINGS PER SHARE (Note 23)								
Basic	<u>\$ (0.18)</u>		<u>\$ 0.22</u>		<u>\$ (0.21)</u>		<u>\$ 0.73</u>	
Diluted	<u>\$ (0.18)</u>		<u>\$ 0.22</u>		<u>\$ (0.21)</u>		<u>\$ 0.73</u>	

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

(Concluded)

**EDISON OPTO CORPORATION AND SUBSIDIARIES**

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

	Equity Attributable to Owners of the Company												
	Ordinary Shares	Capital Surplus	Retained Earnings			Other Equity			Unearned Compensation	Treasury Shares	Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income						
BALANCE ON JANUARY 1, 2024	\$ 1,436,094	\$ 1,562,759	\$ 5,835	\$ -	\$ 47,591	\$ (180,453)	\$ (976)	\$ -	\$ (34,164)	\$ 2,836,686	\$ 127,625	\$ 2,964,311	
Appropriation of 2023 earnings (Note 19)													
Legal reserve	-	-	4,759	-	(4,759)	-	-	-	-	-	-	-	
Special reserve	-	-	-	26,392	(26,392)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(14,211)	-	-	-	-	(14,211)	-	(14,211)	
Other changes in capital surplus													
Cash dividends from capital surplus (Note 19)	-	(56,844)	-	-	-	-	-	-	-	(56,844)	-	(56,844)	
Adjustment to capital surplus resulting from dividends distributed to subsidiaries	-	263	-	-	-	-	-	-	-	263	-	263	
Net profit for the nine months ended September 30, 2024	-	-	-	-	103,095	-	-	-	-	103,095	4,094	107,189	
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	60,674	(244)	-	-	60,430	3,471	63,901	
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	103,095	60,674	(244)	-	-	163,525	7,565	171,090	
BALANCE ON SEPTEMBER 30, 2024	<u>\$ 1,436,094</u>	<u>\$ 1,506,178</u>	<u>\$ 10,594</u>	<u>\$ 26,392</u>	<u>\$ 105,324</u>	<u>\$ (119,779)</u>	<u>\$ (1,220)</u>	<u>\$ -</u>	<u>\$ (34,164)</u>	<u>\$ 2,929,419</u>	<u>\$ 135,190</u>	<u>\$ 3,064,609</u>	
BALANCE ON JANUARY 1, 2025	\$ 1,436,094	\$ 1,527,876	\$ 10,594	\$ 26,392	\$ 144,506	\$ (101,880)	\$ (1,394)	\$ -	\$ (34,164)	\$ 3,008,024	\$ 175,528	\$ 3,183,552	
Appropriation of 2024 earnings (Note 19)													
Legal reserve	-	-	14,228	-	(14,228)	-	-	-	-	-	-	-	
Special reserve	-	-	-	2,229	(2,229)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(105,000)	-	-	-	-	(105,000)	-	(105,000)	
Net profit (loss) for the nine months ended September 30, 2025	-	-	-	-	(29,331)	-	-	-	-	(29,331)	6,599	(22,732)	
Other comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	-	(94,301)	(363)	-	-	(94,664)	(6,561)	(101,225)	
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	(29,331)	(94,301)	(363)	-	-	(123,995)	38	(123,957)	
Cash dividends to subsidiary shareholders	-	-	-	-	-	-	-	-	-	-	(4,625)	(4,625)	
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	(39,309)	(39,309)	-	(39,309)	
Changes in ownership interests in subsidiaries	-	3,837	-	-	-	-	-	-	-	3,837	(3,837)	-	
Share-based payment transactions	20,000	28,100	-	-	-	-	-	(31,733)	-	16,367	-	16,367	
BALANCE ON SEPTEMBER 30, 2025	<u>\$ 1,456,094</u>	<u>\$ 1,559,813</u>	<u>\$ 24,822</u>	<u>\$ 28,621</u>	<u>\$ (6,282)</u>	<u>\$ (196,181)</u>	<u>\$ (1,757)</u>	<u>\$ (31,733)</u>	<u>\$ (73,473)</u>	<u>\$ 2,759,924</u>	<u>\$ 167,104</u>	<u>\$ 2,927,028</u>	

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

# EDISON OPTO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) profit before income tax	\$ (8,975)	\$ 117,922
Adjustments for:		
Depreciation expense	87,077	91,222
Amortization expense	534	1,418
Expected credit (gain) loss recognized on trade receivables	(5,061)	766
Net gain on financial assets at fair value through profit or loss	(39)	(25)
Interest expense	14,450	7,439
Interest income	(10,230)	(9,951)
Loss (gain) on disposal of property, plant and equipment	10,027	(1,317)
Loss on disposal of intangible assets	-	65
Share-based payment transactions	16,367	-
Loss on lease modification	-	2,848
Net changes in operating assets and liabilities		
Contract assets	(7,122)	(13,067)
Notes receivables	(21,203)	(2,385)
Trade receivables	88,609	(162,027)
Trade receivables from related parties	(10,749)	13,218
Other receivables	7,307	(3,198)
Inventories	15,804	18,674
Prepayments	4,976	11,847
Other current assets	6,013	(5,918)
Other non-current assets	(1,148)	938
Contract liabilities	1,741	774
Notes payables	1,173	(13,145)
Trade payables	(57,738)	101,323
Other payables	(34,595)	(8,725)
Other current liabilities	(2,420)	4,958
Net defined benefit liabilities	574	532
Cash generated from operating activities	95,372	154,186
Interest received	9,897	9,951
Interest paid	(8,106)	(7,439)
Income tax paid	(25,625)	(4,497)
Net cash generated from operating activities	<u>71,538</u>	<u>152,201</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(102,489)	(32,500)
Purchase of financial assets at fair value through profit or loss	(243,118)	(539,545)
Proceeds from disposal of financial assets at fair value through profit or loss	239,552	545,049
Payments for property, plant and equipment	(63,842)	(34,545)
Proceeds from disposal of property, plant and equipment	3,513	1,527

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# EDISON OPTO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
(Increase) decrease in refundable deposits	\$ (2,186)	\$ 982
Purchase of intangible assets	(975)	(289)
Increase in other non-current assets	(45)	(42)
Increase in prepayments for equipment	<u>(11,815)</u>	<u>(10,812)</u>
Net cash used in investing activities	<u>(181,405)</u>	<u>(70,175)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	572,957	358,000
Repayments of short-term borrowings	(445,244)	(391,185)
Proceeds from long-term borrowings	161,000	-
Repayments of long-term borrowings	-	(12,060)
(Decrease) increase in guarantee deposits received	(1)	8
Repayment of the principal portion of lease liabilities	(15,791)	(12,508)
Cash Dividends	(105,000)	(70,792)
Changes in non-controlling interests	(4,625)	-
Payments for buy-back of ordinary shares	<u>(39,309)</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>123,987</u>	<u>(128,537)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>		
	<u>(56,428)</u>	<u>33,158</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(42,308)	(13,353)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>1,140,781</u>	<u>1,086,224</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 1,098,473</u>	<u>\$ 1,072,871</u>

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

(Concluded)

# EDISON OPTO CORPORATION AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

Edison Opto Corporation (the “Company”) was approved by the Ministry of Economic Affairs on October 4, 2001 and was incorporated in New Taipei City, Taiwan. Its registered address is 17F, No. 17, Qiao he Rd., Zhong He Dist. The Company’s shares were listed on the Taiwan Stock Exchange in November 2010. The company and its subsidiaries (collectively, the “Group”) are mainly engaged in manufacturing, selling, research and development of LED components, modules and finished products in general lighting and automotive lighting area.

The consolidated financial statements are presented in the Company’s functional currency, New Taiwan dollars.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 6, 2025.

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

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

#### Amendments to IAS 21 “Lack of Exchangeability”

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

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

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of new or amended standards and interpretations on its financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

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

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

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

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

#### IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

##### a. Statement of compliance

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

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

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

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisitions up to the effective date of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

See Note 12, Table 5 and Table 6 to the consolidated financial statements for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

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

1) Retirement benefit

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

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

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

## 6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 6,294	\$ 5,278	\$ 6,559
Checking accounts and demand deposits	1,074,679	938,423	669,377
Cash equivalent (time deposits with original maturities of 3 months or less)	<u>17,500</u>	<u>197,080</u>	<u>396,935</u>
	<u>\$ 1,098,473</u>	<u>\$ 1,140,781</u>	<u>\$ 1,072,871</u>

The Group's time deposits pledged as guarantees to the Customs Administration amounted to \$6,184 thousand, \$6,139 thousand and \$6,139 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively. These pledged deposits have been reclassified to other non-current assets. Please refer to Note 29.

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through <u>profit or loss (FVTPL) - current</u>			
Domestic bonds	\$ 5,991	\$ 6,135	\$ 6,402
Listed common shares - domestic companies	3,749	-	-
Redemption right of domestic convertible bonds	<u>120</u>	<u>120</u>	<u>-</u>
	<u>\$ 9,860</u>	<u>\$ 6,255</u>	<u>\$ 6,402</u>

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Unlisted common shares			
Domestic Company - Taiwan Hydroxyl Technology Co., Ltd.	<u>\$ 695</u>	<u>\$ 1,059</u>	<u>\$ 1,233</u>

The Group designated the investments shown above as financial assets at fair value through other comprehensive income because they are intended to be held for long-term strategic purposes.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 172,856</u>	<u>\$ 72,822</u>	<u>\$ 63,979</u>

The interest rates on time deposits with original maturities of more than three months ranged from 1.280% to 1.705%, 1.425% to 3.5% and 1.425% to 5% as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

## 10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 93,936	\$ 72,733	\$ 68,307
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 93,936</u>	<u>\$ 72,733</u>	<u>\$ 68,307</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 627,781	\$ 716,393	\$ 672,053
Less: Allowance for impairment loss	<u>(346)</u>	<u>(5,410)</u>	<u>(3,743)</u>
	<u>\$ 627,435</u>	<u>\$ 710,983</u>	<u>\$ 668,310</u>
<u>Trade receivables - related parties (Note 28)</u>			
At amortized cost			
Gross carrying amount	\$ 10,749	\$ -	\$ -
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 10,749</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Other receivables</u>			
At amortized cost			
Gross carrying amount	\$ 40,083	\$ 47,390	\$ 46,982
Less: Allowance for impairment loss	<u>(38,850)</u>	<u>(38,850)</u>	<u>(42,210)</u>
	<u>\$ 1,233</u>	<u>\$ 8,540</u>	<u>\$ 4,772</u>

The average credit period of sales of goods was 30-150 days. The Group adopts a policy of dealing only with counterparties that are rated at the equivalent of investment grade or higher and obtaining adequate collateral, where appropriate, to mitigate the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available. If such information is not available, that Group assesses major customers using other publicly available financial information or its own trading records. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and transaction volumes are spread amongst approved counterparties. Credit exposure is managed through counterparty limits that are reviewed and approved annually by the risk management committee.

The Group assesses the recoverability of accounts receivable by considering any changes in credit quality from the original granting date to the reporting date. The allowance for doubtful accounts is determined based on aging analysis, historical experience, and the current financial condition of customers, to estimate the amounts that may not be recoverable.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared with reference to the customers' past default experience, their current financial position, and other relevant information. As the Group's historical credit loss experience does not show significantly different loss patterns among customer segments, the loss allowance based on past-due status is not further distinguished by customer type.

The Group writes off trade receivables when information shows that the debtor is in serious financial difficulty and recovery is not considered realistic. For trade receivables that have been written off, the Group continues to pursue collection efforts. Any subsequent recoveries are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

September 30, 2025

	<b>Not Past Due</b>	<b>1 to 30 Days Past Due</b>	<b>31 to 90 Days Past Due</b>	<b>91 to 180 Days Past Due</b>	<b>Over 180 Days Past Due</b>	<b>Total</b>
Expected credit loss rate	-	-	-	51.64%	-	
Gross carrying amount	\$ 620,345	\$ 72,720	\$ 38,731	\$ 670	\$ -	\$ 732,466
Loss allowance (Lifetime ECLs)	-	-	-	(346)	-	(346)
Amortized cost	<u>\$ 620,345</u>	<u>\$ 72,720</u>	<u>\$ 38,731</u>	<u>\$ 324</u>	<u>\$ -</u>	<u>\$ 732,120</u>

December 31, 2024

	<b>Not Past Due</b>	<b>1 to 30 Days Past Due</b>	<b>31 to 90 Days Past Due</b>	<b>91 to 180 Days Past Due</b>	<b>Over 180 Days Past Due</b>	<b>Total</b>
Expected credit loss rate	-	4.79%	5.00%	9.83%	-	
Gross carrying amount	\$ 679,837	\$ 76,948	\$ 30,123	\$ 2,218	\$ -	\$ 789,126
Loss allowance (Lifetime ECLs)	-	(3,686)	(1,506)	(218)	-	(5,410)
Amortized cost	<u>\$ 679,837</u>	<u>\$ 73,262</u>	<u>\$ 28,617</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 783,716</u>

September 30, 2024

	<b>Not Past Due</b>	<b>1 to 30 Days Past Due</b>	<b>31 to 90 Days Past Due</b>	<b>91 to 180 Days Past Due</b>	<b>Over 180 Days Past Due</b>	<b>Total</b>
Expected credit loss rate	0.0006%	4.99%	5.10%	-	50%	
Gross carrying amount	\$ 665,727	\$ 64,514	\$ 10,107	\$ -	\$ 12	\$ 740,360
Loss allowance (Lifetime ECLs)	(4)	(3,218)	(515)	-	(6)	(3,743)
Amortized cost	<u>\$ 665,723</u>	<u>\$ 61,296</u>	<u>\$ 9,592</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 736,617</u>

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	<b>September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ 44,260	\$ 45,001
(Less) add: Amounts (reversal) written off	(5,061)	766
Foreign exchange gains and losses	<u>(3)</u>	<u>186</u>
Balance, end of period	<u>\$ 39,196</u>	<u>\$ 45,953</u>

## 11. INVENTORIES

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Finished goods	\$ 82,147	\$ 103,666	\$ 90,703
Work in progress and semi-finished goods	117,979	94,490	126,518
Raw materials	<u>83,245</u>	<u>101,019</u>	<u>92,496</u>
	<u>\$ 283,371</u>	<u>\$ 299,175</u>	<u>\$ 309,717</u>

The nature of the cost of goods sold is as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cost of inventories sold	\$ 454,820	\$ 506,123	\$ 1,357,120	\$ 1,395,785
Inventory write-downs (reversal)	2,522	(3,281)	6,681	(2,815)
Unallocated manufacturing expense	<u>6,500</u>	<u>7,303</u>	<u>19,988</u>	<u>21,428</u>
	<u>\$ 463,842</u>	<u>\$ 510,145</u>	<u>\$ 1,383,789</u>	<u>\$ 1,414,398</u>

## 12. SUBSIDIARIES

### Subsidiaries Included in the Consolidated Financial Statements

Investor	Investee	Main Business	<b>Proportion of Ownership (%)</b>			Note
			<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>	
The Company	Edison Opto Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 4
The Company	Ledison Opto Corporation	Sells of opto-electronics	100.00	100.00	100.00	
The Company	Best Opto Corporation	Sells of opto-electronics	100.00	100.00	100.00	
The Company	Edison Fund Investment Corporation	Investment	100.00	100.00	100.00	
The Company	Edison-Litek Opto Corporation Limited	Investment	17.01	24.62	24.62	Notes 1, 5
The Company	Edison-Litek Opto Corporation	Manufactures and sells of opto-electronics	79.89	79.89	81.67	Note 3
The Company	Ledison Opto Corporation Limited	Sells of opto-electronics	100.00	100.00	100.00	Notes 2, 4
Ledison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd.	Manufactures and sells of opto-electronics	100.00	100.00	100.00	
Best Opto Corporation	Best Led Corporation	Investment	100.00	100.00	100.00	
Best Led Corporation	Yangzhou Edison Opto Corporation	Manufactures and sells of opto-electronics	100.00	100.00	100.00	
Yangzhou Edison Opto Corporation	Yangzhou Aichuang Electronic Trade Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 4

(Continued)

Investor	Investee	Main Business	Proportion of Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Edison Fund Investment Corporation	Edison Opto USA Corporation	Sells of opto-electronics	55.00	55.00	55.00	Note 4
Edison Fund Investment Corporation	Edison Auto Lighting Corporation	Sells of opto-electronics	100.00	100.00	100.00	Note 4
Edison Fund Investment Corporation	Ledionopto Intelligent Technology Co., Ltd.	Sells of opto-electronics	100.00	100.00	100.00	Note 4
Edison-Litek Opto Corporation Limited	Yangzhou Edison-Litek Opto Corporation	Manufactures and sells of opto-electronics	100.00	100.00	100.00	Note 5
Edison-Litek Opto Corporation	Edison-Litek Opto Corporation Limited	Investment	72.56	60.27	60.27	Notes 1, 5

(Concluded)

Note 1: In February 2025, Edison-Litek Opto Co. acquired the equity of Edison-Litek Opto Co., Ltd., for US\$1,000,000 in cash, increasing its shareholding from 60.27% to 72.56%. As of September 30, 2025, both the Company and Edison-Litek Opto Co., directly and indirectly, held a total of 89.57% of the shares of Edison-Litek Opto Corporation Limited.

Note 2: In October 2024, Edison Egypt Opto Corp. changed its name to Ledison Opto Company Limited.

Note 3: In November 2024, Edison-Litek Opto Corporation conducted a cash capital increase by issuing 5,000 thousand shares. After reserving the shares for employees in accordance with the Company Act, the Company fully subscribed for \$91,875 thousand in cash, resulting a decrease in its shareholding from 81.67% to 79.89%.

Note 4: The financial statements for the nine months ended September 30, 2025 and 2024 have not been reviewed.

Note 5: The financial statements for the nine months ended September 30, 2024 have not been reviewed.

### 13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Molding Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2025	\$ 637,862	\$ 1,054,782	\$ 1,115,661	\$ 34,614	\$ 224,395	\$ -	\$ 3,067,314
Additions	-	4,765	38,423	95	2,471	21,060	66,814
Disposals	-	(1,316)	(122,821)	(895)	(2,528)	-	(127,560)
Reclassification	1,020	2,627	23,621	41	-	41,867	69,176
Effects of foreign currency exchange differences	-	(38,356)	(42,641)	(2,497)	(12,260)	-	(95,754)
Balance at September 30, 2025	<u>\$ 638,882</u>	<u>\$ 1,022,502</u>	<u>\$ 1,012,243</u>	<u>\$ 31,358</u>	<u>\$ 212,078</u>	<u>\$ 62,927</u>	<u>\$ 2,979,990</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2025	\$ -	\$ 355,900	\$ 980,569	\$ 31,270	\$ 88,036	\$ -	\$ 1,455,775
Depreciation expenses	-	23,453	37,013	301	11,180	-	71,947
Disposals	-	(405)	(110,576)	(806)	(2,233)	-	(114,020)
Effects of foreign currency exchange differences	-	(13,387)	(34,746)	(2,200)	(6,951)	-	(57,284)
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 365,561</u>	<u>\$ 872,260</u>	<u>\$ 28,565</u>	<u>\$ 90,032</u>	<u>\$ -</u>	<u>\$ 1,356,418</u>
Carrying amounts at September 30, 2025	<u>\$ 638,882</u>	<u>\$ 656,941</u>	<u>\$ 139,983</u>	<u>\$ 2,793</u>	<u>\$ 122,046</u>	<u>\$ 62,927</u>	<u>\$ 1,623,572</u>
Carrying amounts at December 31, 2024 and January 1, 2025	<u>\$ 637,862</u>	<u>\$ 698,882</u>	<u>\$ 135,092</u>	<u>\$ 3,344</u>	<u>\$ 136,359</u>	<u>\$ -</u>	<u>\$ 1,611,539</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Molding Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2024	\$ 637,862	\$ 1,028,212	\$ 1,104,491	\$ 33,022	\$ 203,379	\$ -	\$ 3,006,966
Additions	-	1,776	18,963	430	13,376	-	34,545
Disposals	-	-	(36,926)	(235)	(76)	-	(37,237)
Reclassification	-	-	8,850	139	587	-	9,576
Effects of foreign currency exchange differences	-	25,002	25,277	756	6,394	-	57,429
Balance at September 30, 2024	<u>\$ 637,862</u>	<u>\$ 1,054,990</u>	<u>\$ 1,120,655</u>	<u>\$ 34,112</u>	<u>\$ 223,660</u>	<u>\$ -</u>	<u>\$ 3,071,279</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	\$ -	\$ 325,398	\$ 945,411	\$ 30,119	\$ 82,106	\$ -	\$ 1,383,034
Depreciation expenses	-	27,684	39,160	461	10,914	-	78,219
Disposals	-	-	(36,723)	(235)	(69)	-	(37,027)
Effects of foreign currency exchange differences	-	8,266	19,723	584	3,325	-	31,898
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 361,348</u>	<u>\$ 967,571</u>	<u>\$ 30,929</u>	<u>\$ 96,276</u>	<u>\$ -</u>	<u>\$ 1,456,124</u>
Carrying amounts at September 30, 2024	<u>\$ 637,862</u>	<u>\$ 693,642</u>	<u>\$ 153,084</u>	<u>\$ 3,183</u>	<u>\$ 127,384</u>	<u>\$ -</u>	<u>\$ 1,615,155</u>

(Concluded)

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

Buildings	40 years
Machinery and equipment	3-20 years
Molding equipment	2-5 years
Other equipment	
Office equipment	5-20 years
Others	3-20 years

Refer to Note 29 to the consolidated financial statements for information on property, plant and equipment pledged as collateral.

## 14. LEASE ARRANGEMENTS

### a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Land	\$ 26,184	\$ 28,548	\$ 28,495
Buildings	38,736	20,321	25,021
Transportation equipment	<u>4,044</u>	<u>960</u>	<u>416</u>
	<u>\$ 68,964</u>	<u>\$ 49,829</u>	<u>\$ 53,932</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Additions to right-of-use assets			\$ 37,098	\$ 18,778
Disposals to right-of-use assets			\$ (613)	\$ (6,683)
Depreciation charge for right-of-use assets				
Land	\$ 206	\$ 220	\$ 641	\$ 661
Buildings	3,964	4,311	13,537	11,990
Transportation equipment	<u>462</u>	<u>87</u>	<u>952</u>	<u>352</u>
	<u>\$ 4,632</u>	<u>\$ 4,618</u>	<u>\$ 15,130</u>	<u>\$ 13,003</u>

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Current	\$ 14,506	\$ 16,636	\$ 20,156
Non-current	\$ 29,943	\$ 7,391	\$ 8,199

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Buildings	1.34%-2.35%	1.15%-1.96%	1.15%-1.96%
Transportation equipment	1.34%-2.35%	1.15%-1.96%	1.15%-1.34%

c. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 736	\$ 381	\$ 1,369	\$ 1,200
Expenses relating to low-value asset leases	\$ 77	\$ 139	\$ 309	\$ 329
Total cash outflow for leases	<u>\$ (7,288)</u>	<u>\$ (6,295)</u>	<u>\$ (21,028)</u>	<u>\$ (17,589)</u>

## 15. BORROWINGS

### a. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Line of credit borrowings	<u>\$ 127,565</u>	<u>\$ -</u>	<u>\$ 148,000</u>

- 1) The interest rates on short-term bank loans ranged from 4.68% to 4.91% and 1.87% to 2.18% per annum as of September 30, 2025 and 2024, respectively.
- 2) For information on guarantees, refer to Note 28 to the consolidated financial statements.

### b. Long-term borrowings

	Purpose	Effective Interest Rate			Carrying Amount		
		September 30, 2025	December 31, 2024	September 30, 2024	September 30, 2025	December 31, 2024	September 30, 2024
Fubon Commercial Bank	Long-term secured borrowings, with a term from September 30, 2025 to September 30, 2045, bear interest at a floating rate from the drawdown date and are repaid in equal monthly installments of principal and interest.	2.05%	-	-	\$ 161,000	\$ -	\$ -
CTBC Bank Co., Ltd.	Long-term secured borrowings, with a term from February 18, 2021 to January 18, 2041, bear interest at a floating rate from the drawdown date and were repaid in full, including principal and interest, on December 4, 2024.	-	-	1.20%-2.16%	-	-	<u>122,240</u>
Less: Current portion of long-term borrowings		-	-	-	161,000 <u>(8,050)</u>	-	122,240 <u>(16,080)</u>
					<u>\$ 152,950</u>	<u>\$ -</u>	<u>\$ 106,160</u>

For information on pledged properties and guarantees, refer to Notes 28 and 29 to the consolidated financial statements.

## 16. BONDS PAYABLE

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured domestic convertible bonds	<u>\$ 282,148</u>	<u>\$ 276,220</u>	<u>\$ -</u>

In November 2024, the Company issued its 4th domestic unsecured 3-year convertible bonds with a total principal amount of \$303,000 thousand, a par value of \$100 thousand per bond, and a coupon rate of 0%, maturing on November 22, 2027. Other terms of the issuance are as follows:

- a. Conversion period: February 23, 2025 to November 22, 2027.
- b. Redemption method: The bondholder can convert its bonds into shares at any time between 3 months after the issuance date and the day before the maturity day. The conversion price is NT\$25.5 per share when issuance. On June 16, 2025, due to the Company's ex-dividend procedure, the conversion price was adjusted to NT\$24.5 per share, effective from the ex-dividend record date of July 9, 2025, in accordance with the terms of issuance.

- c. Redemption and put-back provisions of the bonds:
- 1) Redemption at maturity: The Company redeems the convertible bond at par value by cash from the bondholders when it meets maturity.
  - 2) Early redemption:
    - a) The Company may redeem the bonds, in whole or in part at face value from the date following 3 months after issuance until the 40th day before the maturity of the bonds, if the closing price of the ordinary shares on the TWSE exceeds the conversion price by 30% (inclusive) for a period of 30 consecutive trading days.
    - b) The Company may redeem the bonds at face value from the day following 3 months of the expiry of the issuance to the 40th day before the expiry of the issuance period if the bonds' outstanding balance is lower than 10% of the total issuance amount.
  - 3) Early put-back provisions by bondholders: The Company's convertible bonds do not contain any put-back provisions.

d. Conversion status:

As of September 30, 2025, no bondholders had applied for conversion into common shares.

- e. The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - conversion options. The effective interest rate of the liability component was 2.83% per annum on initial recognition.

Proceeds from issuance (less transaction costs of \$5,017 thousand)	\$ 297,983
Equity components	<u>(22,414)</u>
Liability components at the date of issue	275,569
Convertible bonds converted into ordinary shares	-
Interest charged at an effective interest rate of 2.83%	<u>651</u>
Liability components on December 31, 2024	276,220
Interest charged at an effective interest rate of 2.83%	<u>5,928</u>
Liability component on September 30, 2025	<u>\$ 282,148</u>

## 17. OTHER LIABILITIES

### Other Payables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other payables			
Payables for salaries	\$ 25,647	\$ 27,292	\$ 27,937
Payables for purchases of equipment	5,253	2,281	3,717
Employee compensation payable and director compensation payable (Note 21)	37,912	71,760	60,920
Taxes payable	4,487	9,095	4,282
Others	<u>60,065</u>	<u>51,868</u>	<u>43,959</u>
	<u>\$ 133,364</u>	<u>\$ 162,296</u>	<u>\$ 140,815</u>

(Continued)

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Non-current</u>			
Non-current liabilities - deferred revenue			
Accounting for government grants	<u>\$ 25,128</u>	<u>\$ 27,395</u>	<u>\$ 27,344</u> (Concluded)

Yangzhou Edison Opto Corporation entered into a contract with the Yangzhou Land And Resources Bureau, in December 2006 to obtain the land use rights for constructing a factory located in Yangzhou Economic Development Zone. The land use rights are granted for a period of 50 years, from December 2006 to December 2056, at a consideration of RMB9,788 thousand, which has been recognized as right-of-use assets.

In addition, according to an agreement with the Administrative Committee of Yangzhou Economic Development Zone, the payment for the land use right was subsidized by the committee. As a result, long-term deferred revenue of RMB9,393 thousand was recognized under “other non-current liabilities - deferred revenue,” and is on a straight-line basis over 50 years and recognized as other revenue accordingly.

## 18. RETIREMENT BENEFIT PLANS

The Company and its subsidiaries located in Taiwan have adopted the defined contribution pension plans under the Labor Pension Act, which is a government-managed scheme. Under the plan, the Company and its subsidiaries in Taiwan contribute monthly an amount equal to 6% of each employees’ monthly salaries to the employees’ individual pension accounts at the Bureau of Labor Insurance. Edison Opto (Dong Guan) Co., Ltd., Yangzhou Edison Opto Corporation, and Yangzhou Edison-Litek Opto Corporation contribute to pension plans in accordance with the regulations of the People’s Republic of China, which are also defined contribution plans.

## 19. EQUITY

### a. Ordinary shares

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Number of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>145,609</u>	<u>143,609</u>	<u>143,609</u>
Shares issued	<u>\$ 1,456,094</u>	<u>\$ 1,436,094</u>	<u>\$ 1,436,094</u>

Fully paid ordinary shares, with a par value of \$10, carry one vote per share and confer a right to receive dividends.

On May 30, 2024, the Company’s shareholders approved the issuance of 2,000 thousand restricted employee shares with a par value of \$10 per share, for a total amount of \$20,000 thousand. The restricted employee shares were issued without consideration. The issuance was subsequently approved by the board of directors on December 26, 2024, with the capital increase record date set as March 3, 2025.

b. Capital surplus

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to ordinary shares (1)</u>			
Issuance of common shares	\$ 1,479,256	\$ 1,479,256	\$ 1,479,256
Treasury share transactions	15,840	15,840	15,840
<u>May be used to offset a deficit only</u>			
Changes in percentage of ownership interests in subsidiaries (2)	13,911	10,074	10,790
Share of changes in capital surplus of associates	292	292	292
<u>May not be used for any purpose</u>			
Conversion options	22,414	22,414	-
Restricted employee shares	<u>28,100</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,559,813</u>	<u>\$ 1,527,876</u>	<u>\$ 1,506,178</u>

- 1) Such capital surplus may be used to offset a deficit. In addition, if the Company has no deficit, the capital surplus may be distributed as cash dividends or transferred to ordinary shares (limited to a certain percentage of the Company's issued shares and only once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

On May 30, 2024, the Company's shareholders approved to distribute cash dividends from capital surplus in the amount of \$56,844 thousand, representing \$0.4 per share.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company earns a profit in a fiscal year, the profit shall be first be applied to pay taxes, offset losses of previous years, and allocate a legal reserve of 10% of the remaining profit. However, when the legal reserve has reached the amount of the Company's paid-in capital, no further appropriation shall be made. The remaining profit shall then be used to set aside or reverse a special reserve in accordance with the applicable laws and regulations, any remaining profit together with undistributed retained earnings shall be serve as the basis for the Company's board of directors to propose a distribution plan, which must be approved at the shareholders' meeting for dividend distribution and bonuses to shareholders. For the policies regarding the distribution of employees' compensation and directors' remunerations after the amendment, refer to employees' compensation and remuneration to directors in Note 21-g.

In accordance with the amended Articles, the dividend policy of the Company is aligned with its share capital, financial structure, operating status, future development plan, fund requirements, competitions, shareholders' benefits, and other factors, by distributing no less than 60% of the distributable earnings every year. Nonetheless, when the distributable earnings are lower than 20% of the common stock outstanding, no distribution shall be made during the year. Dividends may be distributed either by cash or by share. However, if the dividends are distributed in cash, it shall be no less than 10% of the total dividends issued.

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

The appropriations of earnings for 2024 and 2023 that had been resolved by the shareholders in their meeting on May 28, 2025 and May 30, 2024, were as follows:

	<b>Appropriation of Earnings</b>	
	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Legal reserve	<u>\$ 14,228</u>	<u>\$ 4,759</u>
Special reserve	<u>\$ 2,229</u>	<u>\$ 26,392</u>
Cash dividends	<u>\$ 105,000</u>	<u>\$ 14,211</u>
Cash dividends per share (NT\$)	\$0.738867	\$0.100000

d. Special reserves

	<b>For the Nine Months Ended</b>	
	<b>September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ 26,392	\$ -
Appropriations in respect of		
Debits to other equity items	<u>2,229</u>	<u>26,392</u>
Balance, end of period	<u>\$ 28,621</u>	<u>\$ 26,392</u>

e. Other equity items

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

	<b>For the Nine Months Ended</b>	
	<b>September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ (101,880)	\$ (180,453)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	<u>(94,301)</u>	<u>60,674</u>
Balance, end of period	<u>\$ (196,181)</u>	<u>\$ (119,779)</u>

2) Unrealized valuation loss on financial assets at FVTOCI

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ (1,394)	\$ (976)
Recognized for the period		
Unrealized loss - equity instruments	<u>(363)</u>	<u>(244)</u>
Balance, end of period	<u>\$ (1,757)</u>	<u>\$ (1,220)</u>

3) Unearned compensation

At the shareholders' meeting held on May 30, 2024, the shareholders approved a restricted employee shares plan (see Note 24).

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ -	\$ -
Issuance of shares	(48,100)	-
Recognized share-based payment expenses	<u>16,367</u>	<u>-</u>
Balance, end of period	<u>\$ (31,733)</u>	<u>\$ -</u>

f. Non-controlling interests

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance, beginning of period	\$ 175,528	\$ 127,625
Share in profit for the period	6,599	4,094
Other comprehensive income (loss) for the period		
Exchange differences on translation the financial statements of foreign entities	(6,561)	3,471
Changes in ownership interests in subsidiaries	(3,837)	-
Cash dividends to subsidiary shareholders	<u>(4,625)</u>	<u>-</u>
Balance, end of period	<u>\$ 167,104</u>	<u>\$ 135,190</u>

g. Treasury shares

Purpose of Buy-Back	Shares Transferred to Employees (In Thousands)	Shares Held by Subsidiaries (In Thousands)
Number of shares on January 1, 2025	1,500	526
Increase during the period	<u>2,000</u>	<u>-</u>
Number of shares on September 30, 2025	<u>3,500</u>	<u>526</u>
Number of shares on January 1, 2024	<u>1,500</u>	<u>526</u>
Number of shares on September 30, 2024	<u>1,500</u>	<u>526</u>

As resolved by the board in May 8, 2025, the Company purchased 2,000 thousand shares of treasury stock at a total cost of \$39,309 thousand, for the purpose of motivating its employees and enhancing their performance.

Ledionopto Intelligent Technology Co., Ltd., a sub-subsidiary of the Company, held 526 thousand shares of the Company's stock. The market price on September 30, 2025, December 31, 2024 and September 30, 2024 were \$18.15, \$26.00 and \$24.50 per share, respectively.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. Shares of the parent company held by its subsidiaries are treated as treasury stock. Except for being prohibited from participating in the parent company's cash capital increases and having no voting rights, all other rights are the same as those of ordinary shareholders.

## 20. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods	<u>\$ 568,005</u>	<u>\$ 675,195</u>	<u>\$ 1,755,031</u>	<u>\$ 1,883,338</u>

a. Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract assets				
Sale of goods	<u>\$ 9,943</u>	<u>\$ 2,821</u>	<u>\$ 13,067</u>	<u>\$ -</u>
Contract liabilities				
Sale of goods	<u>\$ 13,232</u>	<u>\$ 11,491</u>	<u>\$ 25,678</u>	<u>\$ 24,904</u>

b. Detail of revenue from contracts with customers

For the Three Months Ended September 30, 2025							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 15,049	\$ 63,647	\$ 44,057	\$ 73,874	\$ -	\$ -	\$ 196,627
America and Europe	99,944	-	-	-	123,704	22,415	246,063
Taiwan	53,235	4,961	-	-	32,187	93	90,476
Africa	3,743	-	-	-	-	-	3,743
Others	28,969	2,127	-	-	-	-	31,096
	<u>\$ 200,940</u>	<u>\$ 70,735</u>	<u>\$ 44,057</u>	<u>\$ 73,874</u>	<u>\$ 155,891</u>	<u>\$ 22,508</u>	<u>\$ 568,005</u>
Major product:							
LED transmitter component	\$ 1,304	\$ 24,180	\$ -	\$ -	\$ -	\$ -	\$ 25,484
LED lighting product	186,296	45,988	14,824	-	-	20,483	267,591
LED automotive product	11,196	-	29,206	73,354	155,891	724	270,371
Others	2,144	567	27	520	-	1,301	4,559
	<u>\$ 200,940</u>	<u>\$ 70,735</u>	<u>\$ 44,057</u>	<u>\$ 73,874</u>	<u>\$ 155,891</u>	<u>\$ 22,508</u>	<u>\$ 568,005</u>
For the Three Months Ended September 30, 2024							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 12,517	\$ 60,263	\$ 83,335	\$ 89,245	\$ (6)	\$ -	\$ 245,354
America and Europe	92,110	(476)	-	-	136,843	23,460	251,937
Taiwan	61,138	513	-	-	38,183	-	99,834
Africa	4,227	-	-	-	-	-	4,227
Others	76,311	596	2	-	(3,066)	-	73,843
	<u>\$ 246,303</u>	<u>\$ 60,896</u>	<u>\$ 83,337</u>	<u>\$ 89,245</u>	<u>\$ 171,954</u>	<u>\$ 23,460</u>	<u>\$ 675,195</u>
Major product:							
LED transmitter component	\$ 4,160	\$ 27,091	\$ -	\$ -	\$ -	\$ 4	\$ 31,255
LED lighting product	231,902	32,968	30,383	-	-	22,037	317,290
LED automotive product	6,477	-	52,929	88,404	172,873	1,086	321,769
Others	3,764	837	25	841	(919)	333	4,881
	<u>\$ 246,303</u>	<u>\$ 60,896</u>	<u>\$ 83,337</u>	<u>\$ 89,245</u>	<u>\$ 171,954</u>	<u>\$ 23,460</u>	<u>\$ 675,195</u>
For the Nine Months Ended September 30, 2025							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 38,991	\$ 169,293	\$ 148,931	\$ 213,858	\$ -	\$ -	\$ 571,073
America and Europe	314,758	-	-	-	367,361	73,048	755,167
Taiwan	152,202	13,227	-	-	77,023	93	242,545
Africa	13,794	-	-	-	-	-	13,794
Others	169,040	3,412	-	-	-	-	172,452
	<u>\$ 688,785</u>	<u>\$ 185,932</u>	<u>\$ 148,931</u>	<u>\$ 213,858</u>	<u>\$ 444,384</u>	<u>\$ 73,141</u>	<u>\$ 1,755,031</u>
Major product:							
LED transmitter component	\$ 5,415	\$ 70,166	\$ -	\$ -	\$ -	\$ -	\$ 75,581
LED lighting product	634,439	114,388	52,281	-	-	68,395	869,503
LED automotive product	34,319	-	96,319	212,275	444,384	1,803	789,100
Others	14,612	1,378	331	1,583	-	2,943	20,847
	<u>\$ 688,785</u>	<u>\$ 185,932</u>	<u>\$ 148,931</u>	<u>\$ 213,858</u>	<u>\$ 444,384</u>	<u>\$ 73,141</u>	<u>\$ 1,755,031</u>

For the Nine Months Ended September 30, 2024							
	Edison Opto Corporation	Edison Opto (Dong Guan) Co., Ltd	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Total
Major market:							
China	\$ 35,937	\$ 160,032	\$ 188,530	\$ 199,665	\$ -	\$ -	\$ 584,164
America and Europe	319,159	(327)	-	-	343,101	58,353	720,286
Taiwan	205,372	2,372	-	-	108,264	-	316,008
Africa	22,063	-	-	-	-	-	22,063
Others	<u>236,825</u>	<u>2,049</u>	<u>3,781</u>	<u>-</u>	<u>(1,838)</u>	<u>-</u>	<u>240,817</u>
	<u>\$ 819,356</u>	<u>\$ 164,126</u>	<u>\$ 192,311</u>	<u>\$ 199,665</u>	<u>\$ 449,527</u>	<u>\$ 58,353</u>	<u>\$ 1,883,338</u>
Major product:							
LED transmitter component	\$ 19,566	\$ 77,405	\$ -	\$ -	\$ -	\$ 1,687	\$ 98,658
LED lighting product	753,279	84,841	78,527	-	-	53,160	969,807
LED automotive product	33,319	-	113,642	197,850	450,018	3,164	797,993
Others	<u>13,192</u>	<u>1,880</u>	<u>142</u>	<u>1,815</u>	<u>(491)</u>	<u>342</u>	<u>16,880</u>
	<u>\$ 819,356</u>	<u>\$ 164,126</u>	<u>\$ 192,311</u>	<u>\$ 199,665</u>	<u>\$ 449,527</u>	<u>\$ 58,353</u>	<u>\$ 1,883,338</u>

## 21. NET PROFIT FROM CONTINUING OPERATIONS

### a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposits	\$ 1,773	\$ 1,796	\$ 6,866	\$ 6,836
Others	<u>995</u>	<u>1,002</u>	<u>3,364</u>	<u>3,115</u>
	<u>\$ 2,768</u>	<u>\$ 2,798</u>	<u>\$ 10,230</u>	<u>\$ 9,951</u>

### b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Others	<u>\$ 4,258</u>	<u>\$ 1,900</u>	<u>\$ 15,861</u>	<u>\$ 4,563</u>

### c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
(Loss) gain on disposal of property, plant and equipment	\$ (1,247)	\$ (37)	\$ (10,027)	\$ 1,317
Net foreign exchange (losses) gains	(979)	(7,823)	(28,387)	6,492
Gain (loss) on financial assets at fair value through profit or loss	(440)	266	39	25
Others	<u>(2,940)</u>	<u>(307)</u>	<u>(1,219)</u>	<u>(3,862)</u>
	<u>\$ (5,606)</u>	<u>\$ (7,901)</u>	<u>\$ (39,594)</u>	<u>\$ 3,972</u>

d. Financial costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank borrowings	\$ 2,527	\$ 1,508	\$ 4,963	\$ 3,887
Lease liabilities interest	1,520	1,426	3,559	3,552
Corporate bonds	<u>1,990</u>	<u>-</u>	<u>5,928</u>	<u>-</u>
	<u>\$ 6,037</u>	<u>\$ 2,934</u>	<u>\$ 14,450</u>	<u>\$ 7,439</u>

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 23,513	\$ 25,518	\$ 71,947	\$ 78,219
Right-of-use assets	4,632	4,618	15,130	13,003
Intangible assets	<u>204</u>	<u>684</u>	<u>534</u>	<u>1,418</u>
	<u>\$ 28,349</u>	<u>\$ 30,820</u>	<u>\$ 87,611</u>	<u>\$ 92,640</u>
Depreciation expense by function				
Operating costs	\$ 20,177	\$ 20,721	\$ 61,266	\$ 63,319
Operating expenses	<u>7,968</u>	<u>9,415</u>	<u>25,811</u>	<u>27,903</u>
	<u>\$ 28,145</u>	<u>\$ 30,136</u>	<u>\$ 87,077</u>	<u>\$ 91,222</u>
Amortization expense by function				
Operating costs	\$ -	\$ -	\$ -	\$ -
Operating expenses	<u>204</u>	<u>684</u>	<u>534</u>	<u>1,418</u>
	<u>\$ 204</u>	<u>\$ 684</u>	<u>\$ 534</u>	<u>\$ 1,418</u>

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 118,853	\$ 120,717	\$ 365,138	\$ 349,411
Post-employment benefits	<u>7,864</u>	<u>7,371</u>	<u>24,398</u>	<u>21,648</u>
Total employee benefits expense	<u>\$ 126,717</u>	<u>\$ 128,088</u>	<u>\$ 389,536</u>	<u>\$ 371,059</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Employee benefits expense by function				
Operating costs	\$ 58,489	\$ 59,876	\$ 181,621	\$ 177,466
Operating expenses	<u>68,228</u>	<u>68,212</u>	<u>207,915</u>	<u>193,593</u>
	<u>\$ 126,717</u>	<u>\$ 128,088</u>	<u>\$ 389,536</u>	<u>\$ 371,059</u>

(Concluded)

g. Employees' compensation and remuneration to directors

According to the Company's Articles of Incorporation, if the Company has current-year earnings after the annual financial statements are finalized, it shall allocate 1% to 10% of the profits as employees' compensation, to be distributed in the form of stock or cash upon the resolution of the board of directors. The recipients include eligible subordinate employees. In addition, 1% to 5% of the profits shall be allocated for salary adjustments or compensation distributions for non-executive employees, to be determined by the board of directors as either employee compensation or salary adjustments. The Company may also allocate up to 3% of the profits as remuneration for directors, as resolved by the board of directors. The distributions of employees' compensation and directors' remuneration shall be reported to the shareholders' meeting. However, if there are accumulated losses, the Company shall first make provision for loss recovery before making any such allocations.

As the Company incurred losses for the three months and the nine months ended September 30, 2025, no employees' compensation or directors' remuneration was accrued. The employees' compensation and directors' remuneration for the three months and the nine months ended September 30, 2024, were as follows:

Accrual rate

	For the Nine Months Ended September 30	
	2025	2024
Compensation of employees	5%	5%
Remuneration of directors	1%	1%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	<u>\$ -</u>	<u>\$ 1,700</u>	<u>\$ 790</u>	<u>\$ 5,580</u>
Remuneration of directors	<u>\$ -</u>	<u>\$ 420</u>	<u>\$ 160</u>	<u>\$ 1,200</u>

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

The appropriations of employees' compensation and remuneration of directors for 2024 and 2023 that were resolved by the board of directors on February 26, 2025 and February 29, 2024, respectively, are as shown below:

	<b>2024</b>	<b>2023</b>
Compensation of employees	<u>\$ 7,800</u>	<u>\$ 2,660</u>
Remuneration of directors	<u>\$ 1,800</u>	<u>\$ 540</u>

There were no differences between the actual distributions of employees' compensation and directors' remuneration for 2024 and 2023 and the amounts recognized in the consolidated financial statements for the respective years.

Information on the employees' compensation and directors' remuneration resolved by the Company's board of directors for 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## 22. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current tax				
In respect of the current period	\$ 4,995	\$ 4,370	\$ 8,702	\$ 10,733
Adjustments for prior period	(999)	-	(1,005)	-
Deferred tax				
In respect of the current period	<u>2,020</u>	<u>-</u>	<u>6,060</u>	<u>-</u>
Income tax expense recognized in profit or loss	<u>\$ 6,016</u>	<u>\$ 4,370</u>	<u>\$ 13,757</u>	<u>\$ 10,733</u>

### b. Status of income tax assessments

The income tax returns of the Company and its subsidiaries located in Taiwan have been assessed and approved by the tax authorities through the year 2023.

## 23. (LOSS) EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Net (loss) profit for the period (in thousands)				
(Loss) profit used in the computation of basic (loss) earnings per share	<u>\$ (24,898)</u>	<u>\$ 30,717</u>	<u>\$ (29,331)</u>	<u>\$ 103,095</u>
(Loss) profit used in the computation of diluted (loss) earnings per share	<u>\$ (24,898)</u>	<u>\$ 30,717</u>	<u>\$ (29,331)</u>	<u>\$ 103,095</u>
Ordinary shares outstanding (in thousands of shares)				
Weighted average number of ordinary shares used in computation of basic (loss) earnings per share	139,583	141,584	140,695	141,584
Effect of potentially dilutive ordinary shares				
Compensation of employee	-	69	-	249
Restricted employee shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Weighted average number of ordinary shares used in the computation of diluted (loss) earnings per share	<u>139,583</u>	<u>141,653</u>	<u>140,695</u>	<u>141,833</u>
Basic (loss) earnings per share	<u>\$ (0.18)</u>	<u>\$ 0.22</u>	<u>\$ (0.21)</u>	<u>\$ 0.73</u>
Diluted (loss) earnings per share	<u>\$ (0.18)</u>	<u>\$ 0.22</u>	<u>\$ (0.21)</u>	<u>\$ 0.73</u>

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the calculation of diluted earnings per share, as their effect would be dilutive. The dilutive effect of such potential shares is considered in the calculation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year. However, as the Company incurred a loss for the nine months ended September 30, 2025, including employee compensation in the computation would have an antidilutive effect. Accordingly, such potential ordinary shares were excluded from the computation of diluted earnings per share.

## 24. SHARE-BASED PAYMENT ARRANGEMENTS

### Restricted Employee Shares

On May 30, 2024, the shareholders' meeting approved the issuance of 2,000 thousand new shares of restricted stock to those full-time employees who meet the Company's corresponding requirements. The issuance was registered with, and approved by, the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. On December 26, 2024, the board of directors resolved to issue the shares, with March 3, 2025 as the date of capital increase. The fair value per share on the grant date was NT\$24.05.

Those employees awarded with restricted stocks are entitled to receive the awarded shares without consideration, provided that these employees continue to provide service to the Company for at least 1 year (from the grant date). 30% each of the restricted stock is vested in year 1 and 2 after the grant date, and the remaining 40% is vested in year 3 after the grant date. The restricted stock is kept by a trust, which is appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed of, by any other means to third parties during the custody period. The voting rights of these shareholders are executed by the custodian, and the custodian will act according to the law and regulations. If the shares remain unvested after the vesting period, the Company will repurchase, then forfeit, and thereafter, cancel all the unvested shares without consideration.

Details of the restricted employee shares are as follows:

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance on January 1	-	-
Options granted	<u>2,000</u>	<u>-</u>
Balance on September 30	<u><u>2,000</u></u>	<u><u>-</u></u>

The expenses incurred by the Company for restricted employee shares are as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Expenses resulting from restricted employee shares	<u>\$ 7,014</u>	<u>\$ -</u>	<u>\$ 16,367</u>	<u>\$ -</u>

## 25. CASH FLOW INFORMATION

### Changes in Liabilities Arising from Financing Activities

For the nine months ended September 30, 2025

	<b>January 1, 2025</b>	<b>Cash Flows</b>	<b>Non-cash Changes</b>			<b>Discount and Premium Amortization</b>	<b>September 30, 2025</b>
			<b>New Leases</b>	<b>Lease Modification</b>	<b>Conversion Options</b>		
Short-term borrowings	\$ -	\$ 127,713	\$ (148)	\$ -	\$ -	\$ -	\$ 127,565
Lease liabilities	24,027	(15,791)	(885)	37,098	-	-	44,449
Long-term borrowings (including current portion)	-	161,000	-	-	-	-	161,000
Bonds payable	276,220	-	-	-	-	5,928	282,148
Guarantee deposits received	<u>39</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38</u>
Total liabilities from financing activities	<u>\$ 300,286</u>	<u>\$ 272,921</u>	<u>\$ (1,033)</u>	<u>\$ 37,098</u>	<u>\$ -</u>	<u>\$ 5,928</u>	<u>\$ 615,200</u>

For the nine months ended September 30, 2024

	January 1, 2024	Cash Flows	Non-cash Changes			Discount and Premium Amortization	September 30, 2024
			New Leases	Lease Modification	Conversion Options		
Short-term borrowings	\$ 180,705	\$ (33,185)	\$ 480	\$ -	\$ -	\$ -	\$ 148,000
Lease liabilities	27,318	(12,508)	149	18,778	(5,382)	-	28,355
Long-term borrowings (including current	134,300	(12,060)	-	-	-	-	122,240
Guarantee deposits received	<u>31</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39</u>
Total liabilities from financing activities	<u>\$ 342,354</u>	<u>\$ (57,745)</u>	<u>\$ 629</u>	<u>\$ 18,778</u>	<u>\$ (5,382)</u>	<u>\$ -</u>	<u>\$ 298,634</u>

## 26. CAPITAL RISK MANAGEMENT

Management believes that the objectives, policies and processes for capital management applied by the Group have been consistently applied as described in the Consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(aa) of the Consolidated financial statements for the year ended December 31, 2024 for further details.

## 27. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

The management of the Group believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

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

#### 1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed common shares - domestic companies	\$ 3,749	\$ -	\$ -	\$ 3,749
Embedded derivative in convertible bonds	-	120	-	120
Domestic bonds	<u>5,991</u>	<u>-</u>	<u>-</u>	<u>5,991</u>
	<u>\$ 9,740</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 9,860</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 695</u>	<u>\$ 695</u>

December 31, 2024

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial assets at FVTPL</u>				
Embedded derivative in convertible bonds	\$ -	\$ 120	\$ -	\$ 120
Domestic bonds	<u>6,135</u>	<u>-</u>	<u>-</u>	<u>6,135</u>
	<u>\$ 6,135</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 6,255</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,059</u>	<u>\$ 1,059</u>

September 30, 2024

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial assets at FVTPL</u>				
Domestic bonds	<u>\$ 6,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,402</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,233</u>	<u>\$ 1,233</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

<b>Financial Instrument</b>	<b>Valuation Technique and Inputs</b>
Embedded derivative in convertible bonds	It is valued using a binomial tree model for convertible bonds, based on the conversion price volatility, risk-free interest rate, discount rate for risk, and the remaining number of periods to maturity.

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

The fair values of unlisted equity securities are determined using the market approach. The significant unobservable inputs include equity ratio multiple, discount for lack of marketability, and discount for lack of control. A higher equity ratio multiple increases fair value, whereas a higher discount for lack of marketability or lack of control decreases fair value.

c. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 9,860	\$ 6,255	\$ 6,402
Financial assets at amortized cost (1)	2,030,571	2,022,395	1,904,412
Financial assets at FVTOCI	695	1,059	1,233

Financial liabilities

Amortized cost (2)	1,098,933	888,197	863,286
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- 1) The balances include cash and cash equivalents, financial assets measured at amortized cost, contract assets, notes receivable, accounts receivable (including related parties), other receivables, other non-current financial assets, and refundable deposits, all of which are measured at amortized cost.
- 2) The balances include short-term borrowings, contract liabilities, current portion of long-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and guarantee deposits received, all of which are measured at amortized cost.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, notes and accounts receivable, other receivables, other non-current financial assets, refundable (or guarantee) deposits, notes and accounts payable, other payables, short-term and long-term borrowings, and bonds payable.

The Group does not enter into financial instruments (including derivative financial instruments) for speculative purposes.

1) Market risk

The Group is exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency exchange rates risk

The carrying amounts of monetary assets and monetary liabilities that are not denominated in the functional currency of the individual entities of the Group at the balance sheet date (including non-functional currency denominated monetary items that have been eliminated in the consolidated financial statements).

Sensitivity analysis

Several subsidiaries of the Group engage in sales and purchases denominated in foreign currencies. To mitigate fluctuations in international exchange rates, the Group simultaneously conducts transactions in different currencies to balance and diversify the potential losses caused by exchange rate movements.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis is for a 1% change in foreign currency rates and included only outstanding foreign currency denominated monetary items at the end of the reporting period. A positive amount indicates an increase in profit before tax when the primary exposure currency appreciates by 1% against the relevant functional currency. For a 1% depreciation of the primary exposure currency against the relevant currency, there would be an opposite impact on pre-tax profit, and the balances below would be negative.

	<b>Currency USD Impact</b>	
	<b>For the Nine Months Ended</b>	
	<b>September 30</b>	
	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 3,251	\$ 4,675

b) Interest rates risk

The Group is exposed to interest rate risk because its short-term and long-term borrowings, lease liabilities, and bonds payable include both fixed and floating interest rates, which expose the Group to both fair value and cash flow interest rate risks.

The carrying amounts of the Group's financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Cash flow interest rate risk			
Financial liabilities	<u>\$ 288,565</u>	<u>\$ -</u>	<u>\$ 270,240</u>

The sensitivity analysis for interest rate risk is based on changes in the fair value of floating rate borrowings at the end of the reporting period. Assuming an increase/decrease of one percentage point in interest rates, the Group's cash flows for the period from January 1 to September 30 in 2025 and 2024 would decrease (increase) by \$2,164 thousand and \$2,027 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty fails to meet its contractual obligations resulting in financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk, which may arise from counterparties' failure to perform and from financial guarantees provided by the Group, is equal to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group transacts with a large number of unrelated customers and thus, credit risk is not highly concentrated. When counterparties are related parties, the Group defines them as a group of counterparties with similar characteristics.

3) Liquidity risk

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

a) Liquidity and interest rate risk tables

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

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the period.

September 30, 2025

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	\$ 14,506	\$ 29,943	\$ -
Variable interest rate liabilities	<u>135,615</u>	<u>32,200</u>	<u>120,750</u>
	<u>\$ 150,121</u>	<u>\$ 62,143</u>	<u>\$ 120,750</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	\$ 23,635	\$ 44,868	\$ -
Variable interest rate liabilities	<u>139,616</u>	<u>43,456</u>	<u>139,428</u>
	<u>\$ 163,251</u>	<u>\$ 88,324</u>	<u>\$ 139,428</u>

December 31, 2024

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	<u>\$ 16,636</u>	<u>\$ 7,391</u>	<u>\$ -</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	<u>\$ 19,266</u>	<u>\$ 10,219</u>	<u>\$ -</u>

September 30, 2024

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	\$ 20,156	\$ 8,199	\$ -
Variable interest rate liabilities	<u>164,080</u>	<u>64,320</u>	<u>41,840</u>
	<u>\$ 184,236</u>	<u>\$ 72,519</u>	<u>\$ 41,840</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<b>On Demand or Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Lease liabilities	\$ 23,435	\$ 11,367	\$ -
Variable interest rate liabilities	<u>166,057</u>	<u>67,893</u>	<u>42,121</u>
	<u>\$ 189,492</u>	<u>\$ 79,260</u>	<u>\$ 42,121</u>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the period.

b) Credit facilities

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Unsecured bank facilities:			
Amount used	\$ 127,565	\$ -	\$ 148,000
Amount unused	<u>1,288,448</u>	<u>972,093</u>	<u>801,350</u>
	<u>\$ 1,416,013</u>	<u>\$ 972,093</u>	<u>\$ 949,350</u>
Secured bank facilities:			
Amount used	\$ 161,000	\$ -	\$ 122,240
Amount unused	<u>7,000</u>	<u>155,570</u>	<u>31,060</u>
	<u>\$ 168,000</u>	<u>\$ 155,570</u>	<u>\$ 153,300</u>

## 28. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Wu, Chien-Jung	The Company's chairman
Yangzhou Airui Optoelectronics Co., Ltd.	Related party in substance*
Taiwan Hydroxyl Technology Co., Ltd.	Related party in substance
Ledison Opto Semiconductor Co., Ltd.	Related party in substance

\* The company was not related party from March 21, 2024.

b. Sales of goods

Line Item	Related Party Name	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
		2025	2024	2025	2024
Sales	Yangzhou Airui Optoelectronics Co., Ltd.	\$ -	\$ -	\$ -	\$ 8,868
	Ledison Opto Semiconductor Co., Ltd.	<u>8,301</u>	<u>-</u>	<u>10,475</u>	<u>-</u>
		<u>\$ 8,301</u>	<u>\$ -</u>	<u>\$ 10,475</u>	<u>\$ 8,868</u>

The transaction price and payment terms were determined in accordance with the commercial terms agreed upon by both parties.

c. Receivables from related parties

Line Item	Related Party Name	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Trade receivables	Ledison Opto Semiconductor Co., Ltd.	\$ 10,749	\$ -	\$ -
Other receivables	Taiwan Hydroxyl Technology Co., Ltd.	<u>93</u>	<u>147</u>	<u>147</u>
		<u>\$ 10,842</u>	<u>\$ 147</u>	<u>\$ 147</u>

The other receivables from related parties were rentals for office and parking spaces.

d. Other transactions with related parties

Line Item	Related Party Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2025	2024	2025	2024
Manage services revenue	Taiwan Hydroxyl Technology Co., Ltd.	\$ 143	\$ 180	\$ 453	\$ 540
Rental revenue	Ledison Opto Semiconductor Co., Ltd.	9	-	26	-
	Taiwan Hydroxyl Technology Co., Ltd.	29	20	81	40
Mold and sample revenue	Ledison Opto Semiconductor Co., Ltd.	<u>3</u>	<u>-</u>	<u>295</u>	<u>-</u>
		<u>\$ 184</u>	<u>\$ 200</u>	<u>\$ 855</u>	<u>\$ 580</u>

e. Endorsements and guarantees

A related party of the Group acted as a joint guarantor for the borrowings of the Group. The details of the joint guarantee are as follows:

Related Party Name	September 30, 2025	December 31, 2024	September 30, 2024
Wu, Chien-Jung	<u>\$ 288,565</u>	<u>\$ -</u>	<u>\$ 270,240</u>

f. Remuneration of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 10,415	\$ 7,752	\$ 32,647	\$ 29,183
Post-employment benefits	195	169	546	542
Share-based payments	<u>1,038</u>	<u>-</u>	<u>2,780</u>	<u>-</u>
	<u>\$ 11,648</u>	<u>\$ 7,921</u>	<u>\$ 35,973</u>	<u>\$ 29,725</u>

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

## 29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The details of assets pledged as collateral or for security of the Group are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Pledged time deposit (recorded under other non-current assets)	\$ 6,184	\$ 6,139	\$ 6,139
Property, plant and equipment	<u>497,021</u>	<u>298,156</u>	<u>244,671</u>
	<u>\$ 503,205</u>	<u>\$ 304,295</u>	<u>\$ 250,810</u>

### 30. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

a. Significant contingencies

The Group's unrecognized contractual commitments are as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Acquisition of property, plant and equipment	<u>\$ 368,310</u>	<u>\$ 427,111</u>	<u>\$ 23,544</u>

On November 11, 2024, the Group signed a preliminary sales contract with ReaLy Development & Construction Corp. for the purchase of National Landmark at a total contract price of \$432,880 thousand. As of September 30, 2025, \$65,060 thousand (including tax) has been paid, and the remaining \$367,820 thousand will be paid according to the progress of the completion.

b. Contingency

The Group obtained the contract for the "Tainan City LED Street Light Replacement Project, District 3" in May 2021. As agreed by both parties, the Group pledged a certificate of deposit totaling \$20,000 thousand as a performance bond. In November 2021, the Group received a letter from the Public Works Bureau of the Tainan City Government ("Works Bureau") terminating the aforementioned contract. Following the termination, in January of 2022, the Works Bureau forfeited the performance deposit and demanded payment of the tender bond of \$5,000 thousand. After the termination by the government, the Group requested the Tainan City Government to return the performance deposit and the bid bond. As the parties failed to reach a settlement, the Group initiated civil and administrative litigation proceedings in 2023. The Tainan District Court (regarding the return of the performance bond) ruled against the Group in May 2025. The Group has appealed to the Tainan Branch of the Taiwan High Court, Civil Division, and the case is still under trial. The Kaohsiung High Administrative Court (regarding the Works Bureau's forfeiture of the bid bond) also ruled against the company in June 2024, and the Group appealed to the Supreme Administrative Court, where the case is still under review. Additionally, due to violation of the Government Procurement Act by the Group, the Company was publicly listed in the Government Gazette and suspended from tendering for three years. The Group has appealed this penalty to Kaohsiung High Administrative Court, which is still hearing the case of the date of this report.

### 31. SIGNIFICANT LOSSES FROM DISASTERS

No such situations have occurred during the period.

### 32. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No such situations have occurred during the period.

### 33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The related exchange rates between foreign currencies and respective functional currencies were as follows:

<b>September 30, 2025</b>			
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 18,721	30.445 (USD:NTD)	\$ 569,961
USD	5,800	7.1055 (USD:RMB)	176,536
RMB	10,242	4.2836 (RMB:NTD)	43,873
<u>Financial liabilities</u>			
Monetary items			
USD	13,366	30.445 (USD:NTD)	406,928
USD	476	7.1055 (USD:RMB)	14,488
RMB	8,114	4.2836 (RMB:NTD)	34,757
<b>December 31, 2024</b>			
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 19,169	32.785 (USD:NTD)	\$ 628,456
USD	6,115	7.1884 (USD:RMB)	200,462
RMB	11,989	4.5604 (RMB:NTD)	54,675
<u>Financial liabilities</u>			
Monetary items			
USD	8,218	32.785 (USD:NTD)	269,427
USD	633	7.1884 (USD:RMB)	20,751
RMB	8,598	4.5604 (RMB:NTD)	39,210

	<b>September 30, 2024</b>		
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 17,681	31.65 (USD:NTD)	\$ 565,301
USD	5,726	7.0074 (USD:RMB)	181,222
RMB	13,089	4.5165 (RMB:NTD)	59,116
<u>Financial liabilities</u>			
Monetary items			
USD	8,462	31.65 (USD:NTD)	267,822
USD	353	7.0074 (USD:RMB)	11,172
RMB	15	4.5165 (RMB:NTD)	68

### **34. SEPARATELY DISCLOSED ITEMS**

- a. Information about significant transactions
  - 1) Financing provided to others. (Table 1)
  - 2) Endorsements/guarantees provided. (None)
  - 3) Significant marketable securities held (excluding investment in subsidiaries, associates and joint ventures. (Table 2)
  - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 3)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (None)
  - 6) Intercompany relationships and significant intercompany transactions. (Table 4)
- b. Information on investments in subsidiaries and associates. (Table 5)
- c. Information on investments in mainland China
  - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)

- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (None)
- a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
  - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
  - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

### **35. SEGMENT INFORMATION**

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group has six reportable segments, namely the Company, Edison Opto (Dong Guan) Co., Ltd., Yangzhou Edison Opto Corporation, Yangzhou Edison-Litek Opto Corporation, Edison-Litek Opto Corporation, and other subsidiaries.

- a. The Company primarily engages in the research and development, manufacturing, and sales of LED lighting components and modules, as well as optical transmission components.
- b. Edison Opto (Dong Guan) Co., Ltd. primarily engages in the manufacturing and sales of optical transmission components.
- c. Yangzhou Edison Opto Corporation primarily engages in the manufacturing and sales of LED lighting components and modules.
- d. Yangzhou Edison-Litek Opto Corporation and Edison-Litek Opto Corporation primarily engage in the manufacturing and sales of automotive lighting.

The Group's reportable segments are considered strategic business units, distinguished by the production of different products and the provision of sales services. As each strategic business unit requires different manufacturing technologies and marketing strategies, they are managed separately. Most business units are acquired individually, and the most appropriate management teams are formed according to the needs of each segment.

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

For the Three Months Ended September 30, 2025								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 200,938	\$ 70,735	\$ 44,057	\$ 73,875	\$ 155,891	\$ 22,509	\$ -	\$ 568,005
Segment incomes	<u>22,489</u>	<u>76,637</u>	<u>86,351</u>	<u>25,003</u>	<u>256</u>	<u>23,779</u>	<u>(234,515)</u>	<u>-</u>
Total revenue	<u>\$ 223,427</u>	<u>\$ 147,372</u>	<u>\$ 130,408</u>	<u>\$ 98,878</u>	<u>\$ 156,147</u>	<u>\$ 46,288</u>	<u>\$ (234,515)</u>	<u>\$ 568,005</u>
Segment profit	<u>\$ (22,861)</u>	<u>\$ (6,540)</u>	<u>\$ (14,601)</u>	<u>\$ 4,294</u>	<u>\$ 11,779</u>	<u>\$ 3,758</u>	<u>\$ 7,070</u>	<u>\$ (17,101)</u>
For the Three Months Ended September 30, 2024								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 246,303	\$ 60,896	\$ 83,337	\$ 89,245	\$ 171,954	\$ 23,460	\$ -	\$ 675,195
Segment incomes	<u>27,016</u>	<u>87,421</u>	<u>99,263</u>	<u>28,839</u>	<u>65</u>	<u>(12,664)</u>	<u>(229,940)</u>	<u>-</u>
Total revenue	<u>\$ 273,319</u>	<u>\$ 148,317</u>	<u>\$ 182,600</u>	<u>\$ 118,084</u>	<u>\$ 172,019</u>	<u>\$ 10,796</u>	<u>\$ (229,940)</u>	<u>\$ 675,195</u>
Segment profit	<u>\$ 30,717</u>	<u>\$ (629)</u>	<u>\$ 5,968</u>	<u>\$ 4,300</u>	<u>\$ 16,228</u>	<u>\$ 3,759</u>	<u>\$ (22,168)</u>	<u>\$ 38,175</u>
For the Nine Months Ended September 30, 2025								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 688,785	\$ 185,932	\$ 148,931	\$ 213,858	\$ 444,384	\$ 73,141	\$ -	\$ 1,755,031
Segment incomes	<u>58,272</u>	<u>211,496</u>	<u>308,959</u>	<u>82,877</u>	<u>425</u>	<u>23,779</u>	<u>(685,808)</u>	<u>-</u>
Total revenue	<u>\$ 747,057</u>	<u>\$ 397,428</u>	<u>\$ 457,890</u>	<u>\$ 296,735</u>	<u>\$ 444,809</u>	<u>\$ 96,920</u>	<u>\$ (685,808)</u>	<u>\$ 1,755,031</u>
Segment profit	<u>\$ (23,271)</u>	<u>\$ (19,925)</u>	<u>\$ (23,841)</u>	<u>\$ 21,303</u>	<u>\$ 27,655</u>	<u>\$ 18,146</u>	<u>\$ (9,042)</u>	<u>\$ (8,975)</u>
For the Nine Months Ended September 30, 2024								
	The Company	Edison Opto (Dong Guan) Co., Ltd.	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Edison-Litek Opto Corporation	Others	Adjustments and Layoffs	Total
Revenues:								
Revenues from external customers	\$ 819,356	\$ 164,126	\$ 192,311	\$ 199,665	\$ 449,527	\$ 58,353	\$ -	\$ 1,883,338
Segment incomes	<u>60,860</u>	<u>255,062</u>	<u>322,753</u>	<u>83,109</u>	<u>788</u>	<u>1</u>	<u>(722,573)</u>	<u>-</u>
Total revenue	<u>\$ 880,216</u>	<u>\$ 419,188</u>	<u>\$ 515,064</u>	<u>\$ 282,774</u>	<u>\$ 450,315</u>	<u>\$ 58,354</u>	<u>\$ (722,573)</u>	<u>\$ 1,883,338</u>
Segment profit	<u>\$ 103,095</u>	<u>\$ (17,460)</u>	<u>\$ 20,509</u>	<u>\$ (1,277)</u>	<u>\$ 40,704</u>	<u>\$ 8,071</u>	<u>\$ (35,720)</u>	<u>\$ 117,922</u>

## EDISON OPTO CORPORATION AND SUBSIDIARIES

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

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 3)	Note
													Item	Value			
1	Yangzhou Edison Opto Corporation	Yangzhou Edison-Litek Opto Corporation	Other receivables from related parties	Yes	\$ 23,127 (RMB 5,000)	\$ -	\$ -	2	b	\$ -	Short-term financing	\$ -	-	\$ -	\$ 193,490	\$ 386,980	
2	Edison-Litek Opto Corporation Limited	Edison-Litek Opto Corporation	Other receivables from related parties	Yes	46,487 (US\$ 1,400)	42,623 (US\$ 1,400)	42,623 (US\$ 1,400)	2	b	-	Short-term financing	-	-	-	50,764	101,528	

Note 1: The parent company and its subsidiaries are coded as follows:

- a. The parent company is coded "0".
- b. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Reasons for financing are as follows:

- a. Business relationship.
- b. The need for short-term financing.

Note 3: The total lending limit is capped at 40% of the net worth of the lending company, while the individual lending limit is capped at 20% of the net worth of the lending company.

Note 4: The above transactions have been written off during the preparation of the consolidated report.

**EDISON OPTO CORPORATION AND SUBSIDIARIES**

**SIGNIFICANT MARKETABLE SECURITIES HELD**

**SEPTEMBER 30, 2025**

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

Holding Company Name	Type and Name of Marketable Securities (Note 1)	Relationship with the Holding Company (Note 2)	Financial Statement Account	September 30, 2025				Note (Note 4)
				Number of Shares	Carrying Amount (Note 3)	Percentage of Ownership	Fair Value	
Edison Opto Corporation	AcBel Polytech Inc - convertible bonds	None	Financial assets at fair value through profit or loss - current	-	\$ 5,991	-	\$ 5,991	
Edison Fund Investment Corporation	Ledlink Optics, Inc	"	"	210	3,749	-	3,749	
	Taiwan Hydroxyl Technology Co., Ltd.	Related party	Financial assets at fair value through other comprehensive income - non-current	300	695	12.5	695	

Note 1: The marketable securities stated here are related to shares, debentures and beneficiary certificates and the derivative products caused by those of "IFRS 9 Financial Instruments".

Note 2: If the issuer of the securities is not a related party, this column may be left blank.

Note 3: For items measured at fair value, the carrying amount column should reflect the amount after fair value adjustments; for items not measured at fair value, the carrying amount column should reflect the original acquisition cost or amortized cost, net of accumulated impairment.

Note 4: If the listed securities are subject to restrictions due to collateral, pledge for borrowings, or other contractual arrangements, the remarks column should specify the number of shares pledged or provided as collateral, the amount of the pledge or collateral, and the nature of the usage restrictions.

Note 5: This table presents the marketable securities that the Company has determined should be disclosed in accordance with the principle of materiality.

Note 6: For information on the investments in subsidiaries and associates, refer to Tables 5 and 6.

**EDISON OPTO CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20 OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	To Total (%)	Payment Terms	Unit Price	Payment Terms	Ending Balance	To Total (%)	
Edison Opto Corporation	Yangzhou Edison Opto Corporation Edison Opto (Dong Guan) Co., Ltd	Subsidiary of the Company "	Purchase	\$ 301,050	52.28	60 days	-	-	\$ (68,286)	(38.29)	
			"	194,407	33.76	"	-	-	(59,965)	(33.63)	

Note 1: If the terms of related-party transactions differ from those of ordinary transactions, the differences and reasons should be specified in the unit price and credit period columns.

Note 2: If there are advance receipts or payments, the reasons, contractual terms, amounts, and differences from ordinary transaction patterns should be disclosed in the note column.

Note 3: The above transactions have been written of during the preparation of the consolidated report.

**EDISON OPTO CORPORATION AND SUBSIDIARIES**

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

No. (Note 1)	Related Party	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
0	Edison Opto Corporation	Edison Opto USA Corporation	a	Sales revenue	\$ 42,578	60 days	2.43
		Edison Opto USA Corporation	a	Trade receivables	24,060	60 days	0.58
		Yangzhou Edison Opto Corporation	a	Sales revenue	22,334	60 days	1.27
		Edison Opto (Dong Guan) Co., Ltd.	a	Sales revenue	15,742	60 days	0.90
		Edison-Litek Opto Corporation	a	Other receivables	8,507	Base on contract	0.21
		Edison-Litek Opto Corporation	a	Deferred credits	97,861	Base on contract	2.36
		Edison-Litek Opto Corporation Limited	a	Other income	18,168	Base on contract	1.04
1	Yangzhou Edisonn Opto Corporation	Edison Opto Corporation	b	Sales revenue	301,050	60 days	17.15
		Edison Opto Corporation	b	Trade receivables	68,286	60 days	1.65
2	Edison Opto (Dong Guan) Co., Ltd.	Edison Opto Corporation	b	Sales revenue	194,407	60 days	11.08
		Edison Opto Corporation	b	Trade receivables	59,965	60 days	1.45
		Edison Auto Lighting Corporation	c	Sales revenue	15,590	60 days	0.89
		Edison Auto Lighting Corporation	c	Trade receivables	670	60 days	0.02
3	Yangzhou Edison-Litek Opto Corporation	Yangzhou Edison Opto Corporation	c	Sales revenue	15,506	60 days	0.88
		Yangzhou Edison Opto Corporation	c	Trade receivables	7,112	60 days	0.17
		Edison-Litek Opto Corporation	c	Sales revenue	67,371	60 days	3.84
		Edison-Litek Opto Corporation	c	Trade receivables	20,507	60 days	0.49
4	Edison Auto Lighting Corporation	Edison Opto Corporation	b	Sales revenue	23,779	60 days	1.35
		Edison Opto Corporation	b	Trade receivables	2,918	60 days	0.07
5	Edison-Litek Opto Corporation Limited	Edison-Litek Opto Corporation	c	Other receivables	43,160	Base on contract	1.04

Note 1: The Company and its subsidiaries are coded as follows:

- a. Parent company is coded "0".
- b. The subsidiaries are coded consecutively, beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- a. Parent company to subsidiary.
- b. Subsidiary to parent company.
- c. Between subsidiaries.

(Continued)

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance is shown as a percentage to consolidated total assets as of September 30, 2025. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the period ended September 30, 2025.

Note 4: The disclosure of significant transactions in this table may be determined by the Company based on the principle of materiality.

Note 5: The above transactions have been written off during the preparation of the consolidated report.

(Concluded)

## EDISON OPTO CORPORATION AND SUBSIDIARIES

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2025	December 31, 2024	Shares	%	Carrying Amount			
Edison Opto Corporation	Edison Opto Corporation	Samoa	Selling of LED components and modules	\$ 1,041	\$ 1,041	30	100.00	\$ 985	\$ 52	\$ 52	
	Ledison Opto Corporation	Samoa	Selling of LED components and modules	145,991	145,991	4,500	100.00	212,474	(19,925)	(19,925)	
	Best Opto Corporation	Samoa	Selling of LED components and modules	1,277,226	1,277,226	41,000	100.00	964,997	(23,840)	(23,840)	
	Edison Fund Investment Limited	Taiwan	Investment	686,000	686,000	25,000	100.00	96,369	6,282	6,282	
	Edison-Litek Opto Corporation Limited	Hong Kong	Investment	167,661	167,661	5,500	17.01	43,172	(6,246)	(1,063)	
	Edison-Litek Opto Corporation	Taiwan	Selling of LED components and modules	208,375	208,375	20,213	79.89	331,596	22,525	18,115	
	Ledison Opto Corporation Limited	Taiwan	Selling of LED components and modules	9,800	9,800	980	100.00	10,558	926	926	
Best Opto Corporation	Best Led Corporation	Samoa	Investment	1,277,226	1,277,226	41,000	100.00	967,454	(23,840)	(23,840)	
Edison Fund Investment Corporation	Edison Opto USA Corporation	U.S.A.	Selling of LED components and modules	6,392	6,392	220	55.00	39,801	6,046	3,325	
	Ledionopto Intelligent Technology Co., Ltd.	Taiwan	Selling of LED components and modules	113,185	113,185	2,200	100.00	17,850	284	284	
	Edison Auto Lighting Corporation	Taiwan	Selling of LED components and modules	7,570	7,570	1,000	100.00	9,383	2,328	2,328	
	Edison-Litek Opto Corporation Limited	Hong Kong	Investment	97,207	64,472	23,463	72.56	184,172	(6,246)	(4,532)	

Note 1: If a public company has an overseas holding company and, in accordance with local regulations, prepares consolidated financial statements as its primary financial statements, the disclosure of information regarding overseas investee companies may be limited to the relevant information of the holding company.

Note 2: Information on investees in mainland China, refer to Table 6.

Note 3: The above transactions have been written off during the preparation of the consolidated report.

## EDISON OPTO CORPORATION AND SUBSIDIARIES

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

1. Information on investees in mainland China, including the name, principal business activities, paid-up capital, method of investment, inward and outward remittance of funds, percentage of ownership, investment gain or loss, carrying of the investment, and repatriation of investment income:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Investor Company	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 2)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
						Outward	Inward						
Edison Opto (Dong Guan) Co., Ltd	Manufacturing and selling of LED components and modules	\$ 145,991 (US\$ 4,500)	b.	Ledison Opto Corporation	\$ 111,408 (US\$ 3,317)	\$ -	\$ -	\$ 111,408 (US\$ 3,317)	\$ (19,925) (US\$ -638)	100.00	\$ (19,925) (US\$ -638)	\$ 216,416 (US\$ 7,108)	\$ 34,583 (US\$ 1,183)
Dong Guan Davinci Opto Co., Ltd.	Manufacturing and selling of LED components and modules	-	b.	Led Plus Limited	52,255 (US\$ 1,714)	-	-	52,255 (US\$ 1,714)	-	-	-	-	-
Yangzhou Edison Opto Corporation	Manufacturing and selling of LED components and modules	1,277,226 (US\$ 41,000)	b.	Best Opto Corporation	1,277,226 (US\$ 41,000)	-	-	1,277,226 (US\$ 41,000)	(23,841) (US\$ -764)	100.00	(23,841) (US\$ -764)	967,453 (US\$ 31,777)	-
Yangzhou Aichuan Electronic Trade Corporation	Manufacturing and selling of LED components and modules	2,148 (RMB 500)	b.	Yangzhou Edisonn Opto Corporation	-	-	-	-	20 (RMB 5)	100.00	20 (RMB 5)	2,332 (RMB 544)	-
Yangzhou Edison-Litek Opto Corporation	Manufacturing and selling of LED components and modules	270,552 (US\$ 8,875)	b.	Edison-Litek Opto Corporation Limited	167,661 (US\$ 5,500)	-	-	167,661 (US\$ 5,500)	21,303 (US\$ 682)	74.98	15,966 (US\$ 511)	176,166 (US\$ 5,786)	-

Note 1: Investments can be classified into three categories as follow:

- a. Direct investment in mainland China.
  - 1) Edison Opto (Dong Guan) Co., Ltd is indirectly invested by the Company through Ledison Opto Corporation.
  - 2) Dong Guan Davinci Opto Corporation is indirectly invested by Ledionopto Intelligent Technology Corporation through Led Plus Limited.
  - 3) Yangzhou Edison Opto Corporation is indirectly invested by Best Opto Corporation and Best Led Corporation.
  - 4) Yangzhou Edison-Litek Opto Corporation is indirectly invested by the Company and Edison-Litek Opto Corporation Limited.
- c. Others.
  - 1) Yangzhou Aichuan Electronic Trade Corporation is 100% invested by Yangzhou Edison Opto Corporation.

Note 2: The above transactions have written off during the preparation of the consolidated report.

(Continued)

2. Limit on investment amount in Mainland China:

Company	Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Edison Opto Corporation	\$ 1,556,295 (US\$ 49,817)	\$ 1,545,693 (Note 3) (US\$ 50,770)	(Note 1)
Ledionopto Intelligent Technology Corporation	52,255 (Note 2) (US\$ 1,714)	52,183 (US\$ 1,714)	-

Note 1: Since the Company acquired the permission from Industrial Development Bureau at August 9, 2025, Ministry of Economic Affairs, the upper limit on investment is not applicable, under "Regulations Governing The Permission of Commercial Behavior in Mainland China", Article 3 (documentation reference number 11451028490).

Note 2: Dong Guan Davinci Opto Co., Ltd., in which Ledionopto Intelligent Technology Corporation indirectly invested US\$2,000 thousand, had completed the cancellation of its business registration and liquidation with the approval of Investment Commission in June 2020. The investment capital amounting to US\$286 thousand had been remitted to Ledionopto. However, according to the regulation, the remittance to Mainland China amounting to US\$1,714 thousand had been included in the accumulated investment amount.

Note 3: The indirect investment in Yangzhou Ledison Opto Corporation through the Company, with the amount of US\$1,000 thousand, was authorized by the Investment Commission. Yangzhou Ledison had completed its liquidation in 2017 and the remitted capital amount of US\$1,230 thousand had been cancelled by the Investment Commission. Therefore, the difference between the Accumulated Investment in Mainland China and Investment Amounts Authorized by Investment Commission amounting to US\$230 thousand had been deducted by the Company.

3. Significant transactions with the investment in Mainland China, whether directly or indirectly through entities in third regions:

For the third quarter of 2025, significant direct or indirect transactions between the consolidated company and its investment in Mainland China are detailed in Tables 1, 3 and 4. These transactions have written off during the preparation of the consolidated report.

(Concluded)