

**VIZIONFOCUS INC. and
subsidiaries**

**Consolidated Financial Statements and
Independent Auditors' Review Report
Q3 of 2025 and 2024**

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Independent Auditors' Review Report

To VIZIONFOCUS INC.:

Foreword

We have reviewed the accompanying consolidated balance sheets of VIZIONFOCUS INC. (the "Company") and its subsidiaries as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2025 and 2024, and the consolidated statements of changes in equity and cash flows for the nine-month periods ended September 30, 2025 and 2024, as well as the notes to the consolidated financial statements, including a summary of significant accounting policies. The preparation of consolidated financial statements that present fairly the Company's consolidated financial position, financial performance, and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of the Company's management. Our responsibility is to express a conclusion on these consolidated financial statements based on our review.

Scope

We conducted our review in accordance with International Standard on Review Engagements No. 2410 "Review of Financial Statements." The procedures performed in a review of consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is substantially less than that of an audit. Consequently, the accountant may not become aware of all significant matters that might be identified in an audit, and accordingly, no audit opinion is expressed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of VIZIONFOCUS INC. and its subsidiaries as of September 30, 2025 and 2024, their consolidated financial performance for the three-month and three-month periods ended September 30, 2025 and 2024, and their consolidated cash flows for the nine-month periods ended September 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Hsiu-Wen Chen and Yao-Lin Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 10, 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.

VIZIONFOCUS INC. and subsidiaries
Consolidated Balance Sheet
September 30, 2025, and December 31, 2024, and September 30, 2024

Unit: NTD Thousand

Code	Assets	September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	\$ 1,182,609	18	\$ 1,180,126	20	\$ 1,108,899	19
1150	Notes receivable (Note 8)	6,428	-	8,514	-	2,148	-
1170	Accounts receivable (Note 8)	698,974	11	632,907	11	600,502	10
1200	Other receivables	13,482	-	1,700	-	6,267	-
1220	Current income tax assets	18	-	6,172	-	6,235	-
130X	Inventories (Note 9)	335,327	5	288,598	5	276,020	5
1410	Prepayments	72,909	1	59,448	1	56,320	1
1476	Other financial assets – current (Note 7 & 30)	331,006	5	253,800	4	207,705	4
1479	Other current assets	2,174	-	215	-	153	-
11XX	Total current assets	<u>2,642,927</u>	<u>40</u>	<u>2,431,480</u>	<u>41</u>	<u>2,264,249</u>	<u>39</u>
	Non-current assets						
1600	Property, plant and equipment (Notes 11, 29 & 30)	3,387,364	53	2,995,474	51	3,011,532	53
1755	Right-of-use assets (Note 12)	305,289	5	353,720	6	366,526	6
1780	Intangible assets (Note 13)	143,034	2	112,676	2	101,123	2
1840	Deferred income tax assets	15,464	-	9,407	-	5,985	-
1915	Prepayment for equipment (Note 29)	28,026	-	24,466	-	27,881	-
1920	Refundable deposits (Note 29)	12,745	-	12,424	-	12,496	-
1990	Other non-current assets	-	-	64	-	128	-
15XX	Total non-current assets	<u>3,891,922</u>	<u>60</u>	<u>3,508,231</u>	<u>59</u>	<u>3,525,671</u>	<u>61</u>
1XXX	Total assets	<u>\$ 6,534,849</u>	<u>100</u>	<u>\$ 5,939,711</u>	<u>100</u>	<u>\$ 5,789,920</u>	<u>100</u>
	Liabilities and equity						
	Current liabilities						
2130	Contract liabilities – Current (Note 19)	\$ 15,660	-	\$ 4,384	-	\$ 5,132	-
2170	Accounts payable (Note 15)	233,402	4	194,453	3	171,911	3
2200	Other payables (Notes 16 & 29)	317,245	5	336,152	6	343,733	6
2230	Current income tax liabilities	56,092	1	66,412	1	37,953	1
2280	Lease liabilities – current (Notes 12 & 29)	49,744	1	48,588	1	48,265	1
2313	Deferred revenue (Notes 14 & 24)	3,622	-	4,107	-	4,444	-
2322	Long-term borrowings due within one year (Notes 14, 29 & 30)	148,488	2	156,078	3	172,694	3
2399	Other current liabilities	1,596	-	434	-	466	-
21XX	Total current liabilities	<u>825,849</u>	<u>13</u>	<u>810,608</u>	<u>14</u>	<u>784,598</u>	<u>14</u>
	Non-current liabilities						
2540	Long-term borrowings (Notes 14, 29 & 30)	1,173,913	18	819,457	14	868,339	15
2570	Deferred income tax liabilities	158,081	2	138,820	2	129,081	2
2580	Lease liabilities – non-current (Notes 12 & 29)	263,712	4	311,051	5	323,388	6
2630	Long-term deferred revenue (Notes 14 & 24)	12,340	-	8,463	-	9,429	-
2640	Net defined benefit liabilities (Notes 4 & 17)	1,966	-	1,478	-	1,120	-
2670	Other non-current liabilities	12	-	237	-	239	-
25XX	Total non-current liabilities	<u>1,610,024</u>	<u>24</u>	<u>1,279,506</u>	<u>21</u>	<u>1,331,596</u>	<u>23</u>
2XXX	Total liabilities	<u>2,435,873</u>	<u>37</u>	<u>2,090,114</u>	<u>35</u>	<u>2,116,194</u>	<u>37</u>
	Equity attributable to owners of the Company (Note 18)						
	Capital stock						
3110	Common stock capital	585,277	9	579,247	10	579,167	10
3140	Advance Receipts for Share Capital	-	-	5,498	-	-	-
3100	Total Share Capital	<u>585,277</u>	<u>9</u>	<u>584,745</u>	<u>10</u>	<u>579,167</u>	<u>10</u>
3200	Capital reserve	<u>1,851,153</u>	<u>28</u>	<u>1,828,095</u>	<u>31</u>	<u>1,826,868</u>	<u>32</u>
	Retained earnings						
3310	Statutory Reserve	149,592	2	82,650	1	82,650	1
3320	Special reserves	-	-	9,499	-	9,499	-
3350	Undistributed earnings	<u>1,163,623</u>	<u>18</u>	<u>1,008,471</u>	<u>18</u>	<u>839,374</u>	<u>14</u>
3300	Total retained earnings	<u>1,313,215</u>	<u>20</u>	<u>1,100,620</u>	<u>19</u>	<u>931,523</u>	<u>15</u>
3400	Other equity						
3410	Foreign Currency Translation Adjustment	(31,788)	-	19,275	-	29,193	1
31XX	Total owners' equity of the Company	<u>3,717,857</u>	<u>57</u>	<u>3,532,735</u>	<u>60</u>	<u>3,366,751</u>	<u>58</u>
36XX	Non-controlling interests (Notes 10 & 18)	<u>381,119</u>	<u>6</u>	<u>316,862</u>	<u>5</u>	<u>306,975</u>	<u>5</u>
3XXX	Total equity	<u>4,098,976</u>	<u>63</u>	<u>3,849,597</u>	<u>65</u>	<u>3,673,726</u>	<u>63</u>
3X2X	Total liabilities and equity	<u>\$ 6,534,849</u>	<u>100</u>	<u>\$ 5,939,711</u>	<u>100</u>	<u>\$ 5,789,920</u>	<u>100</u>

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

VIZIONFOCUS INC. and subsidiaries
Consolidated Statement of Comprehensive Income
For the three months ended September 30, 2025 and 2024
and For the nine months ended September 30, 2025 and 2024

Unit: NTD thousand; EPS in NTD

Code		July 1 to September 30, 2025		July 1 to September 30, 2024		January 1 to September 30, 2025		January 1 to September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net operating revenue (Note 19)	\$ 853,602	100	\$ 742,445	100	\$ 2,536,498	100	\$ 2,240,248	100
5000	Operating costs (Notes 9, 20 & 29)	512,044	60	465,488	63	1,503,474	59	1,368,681	61
5900	Gross operating profit	341,558	40	276,957	37	1,033,024	41	871,567	39
	Operating expenses (Notes 8 & 20)								
6100	Sales promotion expenses	27,344	3	12,453	1	70,915	3	38,310	1
6200	Administrative expenses	34,752	4	25,590	3	108,061	4	80,520	4
6300	R&D expenses	45,024	5	34,070	5	126,399	5	102,445	5
6450	Expected credit reversal gain	(39)	-	(289)	-	(1,420)	-	(15,696)	(1)
6000	Total operating expenses	107,081	12	71,824	9	303,955	12	205,579	9
6900	Net operating profit	234,477	28	205,133	28	729,069	29	665,988	30
	Non-operating income and expenses (Note 20 & 29)								
7100	Interest revenue	3,594	-	3,819	-	13,597	1	13,197	1
7010	Other income	2,871	-	3,381	-	15,260	1	10,834	-
7020	Other gains and losses	33,087	4	(658)	-	(29,863)	(2)	21,072	1
7050	Finance Costs	(7,069)	(1)	(7,770)	-	(20,021)	(1)	(21,761)	(1)
7000	Total non-operating income and expenses	32,483	3	(1,228)	-	(21,027)	(1)	23,342	1
7900	Net income before tax	266,960	31	203,905	28	708,042	28	689,330	31
7950	Income tax expense (Note 4 & 21)	55,547	6	46,635	7	129,768	5	142,613	7
8200	Net income for the period	211,413	25	157,270	21	578,274	23	546,717	24
	Other comprehensive income (Notes 18 & 21)								
8360	Items that may be reclassified subsequently to profit or loss								
8361	Foreign Currency Translation Adjustment	71,273	8	25,308	3	(79,001)	(3)	60,457	3
8399	Income tax related to items that may be reclassified	(11,459)	(1)	(4,050)	-	12,766	1	(9,674)	-
8300	Other comprehensive income for the period (net amount after tax)	59,814	7	21,258	3	(66,235)	(2)	50,783	3
8500	Total comprehensive income for the period	\$ 271,227	32	\$ 178,528	24	\$ 512,039	21	\$ 597,500	27
	Net profit attributable to								
8610	Owners of the Company	\$ 192,813	23	\$ 144,744	20	\$ 535,236	21	\$ 500,320	22
8620	Non-controlling interests	18,600	2	12,526	1	43,038	2	46,397	2
8600		\$ 211,413	25	\$ 157,270	21	\$ 578,274	23	\$ 546,717	24
	Total comprehensive income attributable to								
8710	Owners of the Company	\$ 238,648	28	\$ 160,940	22	\$ 484,173	20	\$ 539,012	24
8720	Non-controlling interests	32,579	4	17,588	2	27,866	1	58,488	3
8700		\$ 271,227	32	\$ 178,528	24	\$ 512,039	21	\$ 597,500	27
	Earnings per share (Note 22)								
9710	Basic	\$ 3.30		\$ 2.50		\$ 9.20		\$ 8.89	
9810	Diluted	\$ 3.27		\$ 2.46		\$ 9.11		\$ 8.75	

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

VIZIONFOCUS INC. and subsidiaries
Consolidated Statement of Changes in Equity
For the nine months ended September 30, 2025 and 2024

Unit: NTD Thousand

		Equity attributable to owners of the Company							Other equity				
Code		Capital stock			Capital reserve	Statutory Reserve	Retained earnings		Total	Foreign Currency Translation Adjustment	Total	Non-controlling interests	Total equity
		Common stock capital	Advance Receipts for Share Capital	Total			Special reserves	Undistributed earnings					
A1	Balance on January 1, 2025	\$ 579,247	\$ 5,498	\$ 584,745	\$ 1,828,095	\$ 82,650	\$ 9,499	\$ 1,008,471	\$ 1,100,620	\$ 19,275	\$ 3,532,735	\$ 316,862	\$ 3,849,597
	Appropriation and distribution of 2024 earnings (Note 18)												
B1	Statutory Reserve	-	-	-	-	66,942	-	(66,942)	-	-	-	-	-
B17	Reversal of special reserves	-	-	-	-	-	(9,499)	9,499	-	-	-	-	-
B5	Cash dividends	-	-	-	-	-	-	(322,641)	(322,641)	-	(322,641)	-	(322,641)
D1	Net income for the nine months ended September 30, 2025	-	-	-	-	-	-	535,236	535,236	-	535,236	43,038	578,274
D3	Other comprehensive income after tax for the nine months ended September 30, 2025	-	-	-	-	-	-	-	-	(51,063)	(51,063)	(15,172)	(66,235)
D5	Total comprehensive income for the nine months ended September 30, 2025	-	-	-	-	-	-	535,236	535,236	(51,063)	484,173	27,866	512,039
M5	Difference Between the Fair Value and Carrying Amount of the Consideration Paid or Received for the Acquisition or Disposal of Subsidiaries (Note 25)	-	-	-	29	-	-	-	-	-	29	35,571	35,600
N1	Share-based payment transactions (Notes 18 & 23)	6,030	(5,498)	532	23,029	-	-	-	-	-	23,561	-	23,561
O1	Increase of non-controlling interests (Note 18)	-	-	-	-	-	-	-	-	-	-	820	820
Z1	Balance on September 30, 2025	\$ 585,277	\$ -	\$ 585,277	\$ 1,851,153	\$ 149,592	\$ -	\$ 1,163,623	\$ 1,313,215	\$ (31,788)	\$ 3,717,857	\$ 381,119	\$ 4,098,976
A1	Balance on January 1, 2024	\$ 524,547	\$ -	\$ 524,547	\$ 653,674	\$ 55,501	\$ -	\$ 562,965	\$ 618,466	\$ (9,499)	\$ 1,787,188	\$ 248,487	\$ 2,035,675
	Appropriation and distribution of 2023 earnings (Note 18)												
B1	Statutory Reserve	-	-	-	-	27,149	-	(27,149)	-	-	-	-	-
B3	Provision of special reserve	-	-	-	-	-	9,499	(9,499)	-	-	-	-	-
B5	Cash dividends	-	-	-	-	-	-	(187,263)	(187,263)	-	(187,263)	-	(187,263)
D1	Net income for the nine months ended September 30, 2024	-	-	-	-	-	-	500,320	500,320	-	500,320	46,397	546,717
D3	Other comprehensive income after tax from January 1 to September 30, 2024	-	-	-	-	-	-	-	-	38,692	38,692	12,091	50,783
D5	Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	-	500,320	500,320	38,692	539,012	58,488	597,500
E1	Capital increase in cash (Note 18)	50,570	-	50,570	1,144,693	-	-	-	-	-	1,195,263	-	1,195,263
N1	Share-based payment transactions (Note 23)	4,050	-	4,050	31,501	-	-	-	-	-	35,551	-	35,551
T1	Cost of share issuance (Note 18)	-	-	-	(3,000)	-	-	-	-	-	(3,000)	-	(3,000)
Z1	Balance on September 30, 2024	\$ 579,167	\$ -	\$ 579,167	\$ 1,826,868	\$ 82,650	\$ 9,499	\$ 839,374	\$ 931,523	\$ 29,193	\$ 3,366,751	\$ 306,975	\$ 3,673,726

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

VIZIONFOCUS INC. and subsidiaries
Consolidated Statements of Cash Flows
For the nine months ended September 30, 2025 and 2024

Unit: NTD Thousand

Code		January 1 to September 30, 2025	January 1 to September 30, 2024
	Cash flow from operating activities		
A10000	Net income before tax for the period	\$ 708,042	\$ 689,330
A20010	Income and expenses		
A20100	Depreciation expense	289,189	252,417
A20200	Amortization expense	11,133	10,903
A20300	Expected credit reversal gain	(1,420)	(15,696)
A20900	Finance Costs	20,021	21,761
A21200	Interest revenue	(13,597)	(13,197)
A21900	Share-based payment for remuneration	1,436	23,822
A22500	Disposal of property, plant and equipment losses (gains)	4	(16)
A23700	Loss on inventory valuation and obsolescence	10,762	3,183
A29900	Inventory Write-off Loss	247	2,706
A29900	Lease modification benefits	(24)	-
A29900	Amortization of deferred income	(3,177)	(5,552)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	2,086	6,117
A31150	Accounts receivable	(64,594)	27,776
A31180	Other receivables	(12,220)	(3,384)
A31200	Inventories	(57,608)	(25,148)
A31230	Prepayments	(13,461)	8,057
A31240	Other current assets	(1,959)	(85)
A31990	Other non-current assets	64	191
A32125	Contract liabilities	11,276	(1,147)
A32150	Accounts payable	38,949	(10,316)
A32180	Other payables	(2,646)	(48,301)
A32230	Other current liabilities	1,162	(4,548)
A32240	Net defined benefit liabilities	488	385
A32990	Other non-current liabilities	(225)	10
A33000	Cash inflow from operations	923,928	919,268

(To be Continued)

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Code		January 1 to September 30, 2025	January 1 to September 30, 2024
A33100	Interest received	\$ 14,035	\$ 14,527
A33300	Interest paid	(17,725)	(16,305)
A33500	Income tax paid	<u>(106,216)</u>	<u>(105,866)</u>
AAAA	Net cash inflow from operating activities	<u>814,022</u>	<u>811,624</u>
	Cash flow from investing activities		
B02700	Purchase of property, plant and equipment	(710,754)	(778,319)
B02800	Proceeds from the disposal of property, plant and equipment	25	16
B03700	Increase in refundable deposits	(321)	(6,417)
B04500	Acquisition of intangible assets	(42,943)	(30,593)
B06500	Increase of other financial assets	<u>(77,206)</u>	<u>(207,705)</u>
BBBB	Net cash outflow from investing activities	<u>(831,199)</u>	<u>(1,023,018)</u>
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	310,000	40,100
C00200	Decrease in short-term borrowings	(310,000)	(190,100)
C01600	Borrowing of long-term loans	476,780	319,971
C01700	Repayment of long-term borrowings	(126,522)	(653,378)
C04020	Lease principal repayment	(35,500)	(34,151)
C04500	Distribution of cash dividends	(322,638)	(187,259)
C04600	Capital increase in cash	-	1,195,263
C04800	Exercise of employee stock options	22,125	11,729
C05800	Changes in non-controlling interests	35,600	-
C09900	Share issuance cost	<u>-</u>	<u>(3,000)</u>
CCCC	Net cash inflow from financing activities	<u>49,845</u>	<u>499,175</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>(30,185)</u>	<u>20,962</u>
EEEE	Net increase in cash and cash equivalents	2,483	308,743
E00100	Opening balance of cash and cash equivalents	<u>1,180,126</u>	<u>800,156</u>
E00200	Closing balance of cash and cash equivalents	<u>\$1,182,609</u>	<u>\$1,108,899</u>

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

VIZIONFOCUS INC. and subsidiaries
Notes to the consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(expressed in thousand NTD, Unless Stated Otherwise)

I. Company history

The Company was established in May 2012, mainly engaged in the manufacturing of medical equipment, machinery and equipment, optical instruments, precision instruments and international trading, and other consulting services.

The Company has been listed and traded on the Taiwan Stock Exchange since March 2024.

The consolidated financial statements are presented in the Company’s functional currency, NTD.

II. Date and procedure for adopting financial statements

This consolidated financial statement was released after being approved by the Board of Directors on November 10, 2025.

III. Application of new and amended standards and interpretations

- (I) The initial application of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations (IFRIC), and interpretation announcements (SIC) approved and issued by the Financial Supervisory Commission (referred to as ‘IFRS accounting standards’).

The application of the amendments to the IFRSs endorsed and issued into effect by the FSC does not have material impact on the Company’s and its subsidiaries’ accounting policies.

- (II) IFRS accounting standards approved by the FSC applicable in 2026

New/amended/revised standards and interpretations	Effective date announced by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts involving Natural Power Dependencies”	January 1, 2026
“Annual Improvements to IFRS Standards – Volume 11”	January 1, 2026
IFRS 17 "Insurance Contracts" (including amendments in 2020 and 2021)	January 1, 2023

As of the date the Board of Directors approved and authorized the release of these consolidated financial statements, the Company and its subsidiaries continue to assess the impact of such amendments on financial position and financial performance.

(III) IFRS accounting standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New/amended/revised standards and interpretations	Effective date announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined
IFRS 18 “Presentation and Disclosures of Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiary without Public Accountability: Disclosures” (including 2025 amendments)	January 1, 2027

Note 1: Unless stated otherwise, the above new IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The FSC announced on September 25, 2025 that Taiwan enterprises shall adopt IFRS 18 effective January 1, 2028, with the option to early adopt following FSC recognition of IFRS 18.

IFRS 18 “Presentation and Disclosures of Financial Statements”

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

- The income statement should classify revenue and expense items into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement should present operating profit or loss, profit or loss before financing and taxes, as well as subtotals and totals of profit or loss.
- Providing guidance to enhance aggregation and disaggregation requirements: The Company and its subsidiaries shall identify assets, liabilities, equity, income, expenses, and cash flows of individual transactions or other events, and classify and aggregate them based on shared characteristics, so that each line item presented in the primary financial statements possesses at least one similar characteristic. Items of dissimilar nature should be presented separately in the primary financial statements and notes. The Company and its subsidiaries shall label items as "other" only when they cannot find more informative labels.
- Enhanced disclosure of management-defined performance measures: When the Company and its subsidiaries communicate publicly outside the financial statements and communicate management's view of a particular aspect of the overall financial performance to users of financial statements, they should disclose information related to management-defined performance measures in a single note to the financial statements, including a description of the measure, how it is calculated, its reconciliation with subtotals or totals specified in IFRS accounting standards, and the income tax and non-controlling interest effects of related reconciling items.

Apart from the aforementioned impacts, as of the approval date of these consolidated financial statements by the Board of Directors, the Company and its subsidiaries are still evaluating the impact of amendments to other standards and interpretations on their financial position and performance. The relevant impacts will be disclosed upon completion of the assessment.

IV. Summary of significant accounting policies

(I) Compliance Statement

This consolidated financial statement has been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission. These consolidated financial statements do not include all IFRS disclosures required for full annual consolidated financial statements.

(II) Basis of preparation

Except for the financial instruments measured at fair value and the net defined benefit liabilities recognized based on the present value of the defined benefit obligation less the fair value of plan assets, this consolidated financial statement has been prepared on the basis of historical cost.

The fair value is divided into Level 1 to Level 3 according to the observable degree and importance of the relevant input value:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date.
2. Level 2 inputs: Inputs, other than quoted prices in Level 1, that are observable, either directly (i.e., prices) or indirectly (i.e., derived from prices) for the asset or liability.
3. Level 3 inputs are unobservable inputs for the asset or liability.

(III) Basis of consolidation

This consolidated financial statement contains the financial statements of the Company and the entities (subsidiaries) controlled by the Company.

The financial statements of the subsidiaries have been properly adjusted to make their accounting policies consistent with the Company’s accounting policies. In preparing the consolidated financial statements, all intra-group transactions, account balances, income, and expenses have been eliminated. The total comprehensive income of the subsidiaries is attributed to the owners of the Company and non-controlling interests.

Changes in the Company’s ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book value of the Company’s and its subsidiaries’ and non-controlling interests have been adjusted to reflect the changes in their relative interests in the subsidiaries. The 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.

For details on subsidiaries, ownership percentages, and business activities, refer to Notes 10 and Tables 1 and 2.

(IV) Other significant accounting policies

Except for the following explanations, please refer to the summary of significant accounting policies in the 2024 annual consolidated financial statements.

1. Financial instruments

Financial assets and financial liabilities shall be recognized in the consolidated balance sheet when the Company and its subsidiaries become a party to the contractual provisions of the instrument.

Upon initial recognition of financial assets and financial liabilities, if the financial assets or financial liabilities are not measured at fair value through profit or loss, they are measured at fair value plus directly attributable transaction costs involved in the acquisition or issuance of the financial assets

or financial liabilities. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities measured at fair value through profit or loss are immediately recognized in profit or loss.

The derivative instruments in which the Company enters into consist of forward foreign exchange contracts used to manage the foreign exchange risk exposure of the Company and its subsidiaries.

Derivative instruments are initially recognized at fair value on the date that the derivative contract is entered into and are subsequently remeasured at fair value at each balance sheet date. Gains or losses arising from subsequent measurement are recognized directly in profit or loss. When the fair value of derivative instruments is positive, they are classified as financial assets; when the fair value is negative, they are classified as financial liabilities.

2. Retirement benefits

Interim period pension costs are calculated on a year-to-date basis using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market volatility, plan amendments, curtailments and other significant one-time events during the interim period, if any.

3. Income tax expense

Income tax expense represents the sum of current income tax and deferred income tax. Interim period income tax expense is accrued based on the estimated average annual effective tax rate applied to the pre-tax income for the interim period.

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

The significant accounting judgments, estimates and sources of estimation uncertainty applied in these consolidated financial statements are consistent with those of the 2024 annual consolidated financial statements.

VI. Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hands	\$ 206	\$ 146	\$ 168
Checks and demand deposits	917,403	760,802	588,731
Cash equivalents (investment with original maturity date of less than 3 months)			
Time deposits in banks	215,000	270,000	420,000
Commercial paper	50,000	100,000	100,000
Repurchase agreements	-	49,178	-
	<u>\$ 1,182,609</u>	<u>\$ 1,180,126</u>	<u>\$ 1,108,899</u>

VII. Other financial assets – current

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits with original maturity exceeding 3 months	\$ 328,870	\$ 253,800	\$ 207,705
Pledged time deposits (Note 30)	2,136	-	-
	<u>\$ 331,006</u>	<u>\$ 253,800</u>	<u>\$ 207,705</u>
Interest rate per annum (%)	1.225~1.95	1.445~2.05	1.445~2.05

VIII. Notes and accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable			
Total book value measured at amortized cost - due to operations	<u>\$ 6,428</u>	<u>\$ 8,514</u>	<u>\$ 2,148</u>
Accounts receivable			
Total book value measured at amortized cost	\$ 698,974	\$ 634,380	\$ 601,990
Less: Loss allowance	<u>-</u>	<u>1,473</u>	<u>1,488</u>
	<u>\$ 698,974</u>	<u>\$ 632,907</u>	<u>\$ 600,502</u>

The Company and its subsidiaries recognize the loss allowance for accounts receivable based on the lifetime expected credit losses. The lifetime expected credit losses are calculated using a provision matrix, which takes into account customers' past collection experience, increase in delayed payments beyond the credit period, industry economic conditions and outlook. If there is evidence indicating that a transaction party is experiencing severe financial difficulties, and the company and its subsidiaries cannot reasonably expect to recover the amounts due—for instance, if the transaction party is undergoing liquidation or the debt has become overdue—the company and its subsidiaries will proceed according to its internal policy for managing abnormal receivables. The relevant receivables are directly written off, although collection efforts will continue. Any amounts recovered through these efforts will be recognized in the profit and loss statement.

The Company and subsidiaries continuously monitor collections to ensure that appropriate actions are taken for the recovery of overdue amounts. Additionally, on the balance sheet date, each receivable's recoverable amount is reviewed to ensure that adequate allowances for doubtful accounts have been provided for receivables that cannot be recovered.

The Company and subsidiaries measure the allowance for doubtful accounts on accounts receivable using a provision matrix, which is as follows:

September 30, 2025

	Not past due	Overdue 1 to 30 days	Overdue 31 to 120 days	Overdue 121 to 360 days	Overdue over 360 days	Counterparty shows signs of default	Total
Expected credit loss rate (%)	-	4	4	4	100	100	
Gross carrying amount	\$ 704,584	\$ 776	\$ 42	\$ -	\$ -	\$ -	\$ 705,402
Allowance for losses (lifetime expected credit losses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 704,584</u>	<u>\$ 776</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 705,402</u>

December 31, 2024

	Not past due	Overdue 1 to 30 days	Overdue 31 to 120 days	Overdue 121 to 360 days	Overdue over 360 days	Counterparty shows signs of default	Total
Expected credit loss rate (%)	-	4	4~5	4~5	100	100	
Gross carrying amount	\$ 638,552	\$ 2,678	\$ -	\$ -	\$ -	\$ 1,664	\$ 642,894
Allowance for losses (lifetime expected credit losses)	-	-	-	-	-	(1,473)	(1,473)
Amortized cost	<u>\$ 638,552</u>	<u>\$ 2,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ 641,421</u>

September 30, 2024

	Not past due	Overdue 1 to 30 days	Overdue 31 to 120 days	Overdue 121 to 360 days	Overdue over 360 days	Counterparty shows signs of default	Total
Expected credit loss rate (%)	-	4	4~5	4~5	100	100	
Gross carrying amount	\$ 601,422	\$ 1,035	\$ -	\$ -	\$ -	\$ 1,681	\$ 604,138
Allowance for losses (lifetime expected credit losses)	-	-	-	-	-	(1,488)	(1,488)
Amortized cost	<u>\$ 601,422</u>	<u>\$ 1,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193</u>	<u>\$ 602,650</u>

Information on changes in loss allowance of accounts receivable is as follows:

	January 1 to September 30, 2025	January 1 to September 30, 2024
Opening balance	\$ 1,473	\$ 16,860
Reversals during the period	(1,420)	(15,696)
Exchange rate effect	(53)	324
Closing balance	<u>\$ -</u>	<u>\$ 1,488</u>

IX. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 67,839	\$ 51,084	\$ 49,996
Materials	37,882	34,379	32,227
Work in process	56,710	51,967	18,257
Semi-finished product	4,384	8,618	6,471
Finished goods	142,054	142,550	169,069
Merchandise	<u>26,458</u>	<u>-</u>	<u>-</u>
	<u>\$ 335,327</u>	<u>\$ 288,598</u>	<u>\$ 276,020</u>

The components of the operating cost are as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Cost of goods sold	\$ 513,259	\$ 464,479	\$ 1,499,060	\$ 1,368,433
Loss on inventory valuation and obsolescence	809	2,039	10,762	3,183
Inventory Write-off Loss	166	857	247	2,706
Income from sale of scraps and scraps	<u>(2,190)</u>	<u>(1,887)</u>	<u>(6,595)</u>	<u>(5,641)</u>
	<u>\$ 512,044</u>	<u>\$ 465,488</u>	<u>\$ 1,503,474</u>	<u>\$ 1,368,681</u>

X. Subsidiary

(I) Subsidiaries included in the consolidated financial statements

The entities in the consolidated financial statements are as follows:

Name of Investment Company	Name of subsidiary	Nature of business	Percentage of equity held			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Green Wealth Investments Limited (Green Wealth)	International investment	100	100	100	
The Company	Star Focus Inc. (Star Focus)	Medical device sales	40.67	100	-	Note 1
The Company	Optical Connection Technology Inc. (OCTI)	Medical device sales	98.77	-	-	Note 2
Green Wealth Investments Limited (Green Wealth)	Clear Precise Investments Limited (Clear Precise)	International investment	100	100	100	
Green Wealth Investments Limited (Green Wealth)	Vision Health Investments Limited (Vision Health)	International investment	100	100	-	Note 3
Clear Precise Investments Limited (Clear Precise)	Jiangsu Vizionfocus Inc.	R&D, design, and production of contact lens; wholesale and import and export of similar products of the above-mentioned products	80	80	80	

Note 1: In response to the company's overall operational development needs, the Company resolved at the Board of Directors meeting in November 2024 to establish a 100% owned subsidiary, Star Focus Inc., and completed the registration. In January 2025, the Company did not subscribe to Star Focus Inc.'s cash capital increase in proportion to its shareholding percentage, resulting in the shareholding percentage decreasing from 100% to 40.67%. As of September 30, 2025, the Company's management, after considering the absolute magnitude, relative size, and distribution of voting rights held compared to other shareholders, and given that all director positions of the subsidiary are held by the Company, determined that the Company possesses substantive ability to direct the relevant activities of Star Focus Inc., and therefore continues to classify it as a subsidiary.

Note 2: In response to the Company's overall operational development needs, the Company resolved through Board resolution in November 2024 to establish U.S. Subsidiary OCTI. Investment capital remittances were completed in January and August 2025, resulting in a 98.77% ownership interest. The subsidiary primarily engages in medical device sales.

Note 3: As of September 2025, the Company has not yet remitted investment funds and the subsidiary has no operational activities.

(II) Subsidiaries with significant non-controlling equity

Name of subsidiary	Shareholding and voting rights ratio held by non-controlling interests (%)		
	September 30, 2025	December 31, 2024	September 30, 2024
	Jiangsu Vizionfocus Inc.	20	20

Please refer to Table 2 for information on principal places of business and countries of incorporation.

Name of subsidiary	Net income for the period distributed to non-controlling interests				
	January 1 to September 30, 2025	January 1 to September 30, 2024	Non-controlling interests		
	September 30, 2025	September 30, 2024	September 30, 2025	December 31, 2024	September 30, 2024
Jiangsu Vizionfocus Inc.	\$ 42,860	\$ 46,397	\$ 344,608	\$ 316,862	\$ 306,975

The summarized financial information of Jiangsu Vizionfocus Inc. is based on the amount before writing off the intercompany transactions:

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 895,248	\$ 760,006	\$ 708,509
Non-current assets	1,269,729	1,289,337	1,327,930
Current liabilities	(271,093)	(252,681)	(284,116)
Non-current liabilities	(170,842)	(212,352)	(217,448)
Equity	<u>\$ 1,723,042</u>	<u>\$ 1,584,310</u>	<u>\$ 1,534,875</u>

	September 30, 2025	December 31, 2024	September 30, 2024
Equity attributable to Owners of the Company	\$ 1,378,434	\$ 1,267,448	\$ 1,227,900
Non-controlling interests of Jiangsu Vizionfocus Inc.	<u>344,608</u>	<u>316,862</u>	<u>306,975</u>
	<u>\$ 1,723,042</u>	<u>\$ 1,584,310</u>	<u>\$ 1,534,875</u>

	January 1 to September 30, 2025	January 1 to September 30, 2024
Net operating revenue	<u>\$ 909,204</u>	<u>\$ 910,195</u>
Net income for the period	\$ 214,301	\$ 231,986
Other comprehensive income	-	-
Total comprehensive income	<u>\$ 214,301</u>	<u>\$ 231,986</u>
Net profit attributable to Owners of the Company	\$ 171,441	\$ 185,589
Non-controlling interests of Jiangsu Vizionfocus Inc.	<u>42,860</u>	<u>46,397</u>
	<u>\$ 214,301</u>	<u>\$ 231,986</u>

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	January 1 to September 30, 2025	January 1 to September 30, 2024
Total comprehensive income attributable to		
Owners of the Company	\$ 171,441	\$ 185,589
Non-controlling interests of Jiangsu Vizionfocus Inc.	<u>42,860</u>	<u>46,397</u>
	<u>\$ 214,301</u>	<u>\$ 231,986</u>
Cash flow		
Operating activities	\$ 351,009	\$ 369,640
Investment activities	(271,983)	(447,894)
Financing activities	(11,912)	(12,436)
Effect of exchange rate changes	<u>(28,273)</u>	<u>20,962</u>
Net cash inflow (outflow)	<u>\$ 38,841</u>	<u>\$ (69,728)</u>

XI. Property, plant and equipment
January 1 to September 30, 2025

	Land	Machinery and equipment	Mold equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment to be inspected	Total
<u>Cost</u>									
Balance on January 1, 2025	\$ 705,898	\$ 1,997,948	\$ 112,100	\$ 7,630	\$ 25,160	\$ 303,450	\$ 32,616	\$ 832,306	\$ 4,017,108
Addition	-	406,783	27,783	407	5,911	11,767	10,141	229,019	691,811
Disposition	-	(220)	-	-	(45)	-	(27)	-	(292)
Exchange difference, net	-	(41,720)	(2,814)	(54)	(391)	(6,763)	(328)	(10,217)	(62,287)
Balance on September 30, 2025	<u>705,898</u>	<u>2,362,791</u>	<u>137,069</u>	<u>7,983</u>	<u>30,635</u>	<u>308,454</u>	<u>42,402</u>	<u>1,051,108</u>	<u>4,646,340</u>
<u>Accumulated depreciation</u>									
Balance on January 1, 2025	-	781,222	68,618	6,020	18,763	132,117	14,894	-	1,021,634
Depreciation expense	-	196,855	17,199	691	3,481	26,510	6,773	-	251,509
Disposition	-	(191)	-	-	(45)	-	(27)	-	(263)
Exchange difference, net	-	(9,688)	(1,262)	(50)	(260)	(2,537)	(107)	-	(13,904)
Balance on September 30, 2025	-	<u>968,198</u>	<u>84,555</u>	<u>6,661</u>	<u>21,939</u>	<u>156,090</u>	<u>21,533</u>	-	<u>1,258,976</u>
Net as of December 31, 2024	<u>\$ 705,898</u>	<u>\$ 1,216,726</u>	<u>\$ 43,482</u>	<u>\$ 1,610</u>	<u>\$ 6,397</u>	<u>\$ 171,333</u>	<u>\$ 17,722</u>	<u>\$ 832,306</u>	<u>\$ 2,995,474</u>
Net as of September 30, 2025	<u>\$ 705,898</u>	<u>\$ 1,394,593</u>	<u>\$ 52,514</u>	<u>\$ 1,322</u>	<u>\$ 8,696</u>	<u>\$ 152,364</u>	<u>\$ 20,869</u>	<u>\$ 1,051,108</u>	<u>\$ 3,387,364</u>

January 1 to September 30, 2024

	Land	Machinery and equipment	Mold equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment to be inspected	Total
<u>Cost</u>									
Balance on January 1, 2024	\$ 705,898	\$ 1,704,580	\$ 101,300	\$ 7,469	\$ 22,744	\$ 288,086	\$ 22,826	\$ 226,020	\$ 3,078,923
Addition	-	86,244	4,273	125	2,306	7,976	6,694	751,036	858,654
Disposition	-	(10,044)	(5,230)	-	-	-	-	-	(15,274)
Exchange difference, net	-	32,180	2,224	47	330	6,214	212	8,766	49,973
Balance on September 30, 2024	<u>705,898</u>	<u>1,812,960</u>	<u>102,567</u>	<u>7,641</u>	<u>25,380</u>	<u>302,276</u>	<u>29,732</u>	<u>985,822</u>	<u>3,972,276</u>
<u>Accumulated depreciation</u>									
Balance on January 1, 2024	-	568,060	54,290	4,831	14,132	94,310	8,045	-	743,668
Depreciation expense	-	170,117	14,337	885	4,154	27,531	5,225	-	222,249
Disposition	-	(8,935)	(5,230)	-	-	-	-	-	(14,165)
Exchange difference, net	-	6,216	800	40	179	1,691	66	-	8,992
Balance on September 30, 2024	-	<u>735,458</u>	<u>64,197</u>	<u>5,756</u>	<u>18,465</u>	<u>123,532</u>	<u>13,336</u>	-	<u>960,744</u>
<u>Accumulated impairment</u>									
Balance on January 1, 2024	-	1,109	-	-	-	-	-	-	1,109
Disposition	-	(1,109)	-	-	-	-	-	-	(1,109)
Balance on September 30, 2024	-	-	-	-	-	-	-	-	-
Net as of September 30, 2024	<u>\$ 705,898</u>	<u>\$ 1,077,502</u>	<u>\$ 38,370</u>	<u>\$ 1,885</u>	<u>\$ 6,915</u>	<u>\$ 178,744</u>	<u>\$ 16,396</u>	<u>\$ 985,822</u>	<u>\$ 3,011,532</u>

Property, plant and equipment are depreciated on a straight-line basis over the following useful lives:

Machinery and equipment	3 to 10 years
Mold equipment	2 to 5 years
Transportation equipment	4 to 5 years
Office equipment	3 to 7 years
Leasehold improvements	3 to 14 years
Other equipment	2 to 10 years

Please refer to Note 30 for the amount of property, plant and equipment pledged by the Company and its subsidiaries to secure borrowings.

XII. Lease agreement

(I) Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024		July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Book value of right-of-use assets								
Land	\$ 1,646	\$ 1,931	\$ 2,026					
Buildings	303,440	351,464	364,134					
Machinery and equipment	<u>203</u>	<u>325</u>	<u>366</u>					
	<u>\$ 305,289</u>	<u>\$ 353,720</u>	<u>\$ 366,526</u>					
Addition of right-of-use assets							<u>\$ 18,973</u>	<u>\$ 194,170</u>
Depreciation expense of right-of-use assets								
Land	\$ 95	\$ 95	\$ 285				\$ 285	\$ 285
Buildings	12,452	12,514	37,273				37,273	29,761
Machinery and equipment	<u>41</u>	<u>41</u>	<u>122</u>				<u>122</u>	<u>122</u>
	<u>\$ 12,588</u>	<u>\$ 12,650</u>	<u>\$ 37,680</u>				<u>\$ 37,680</u>	<u>\$ 30,168</u>

Except for the additions and recognized depreciation mentioned above, the Company and its subsidiaries did not have any material subleases or impairment of right-of-use assets for the periods from January 1 to September 30, 2025 and 2024.

(II) Lease liabilities	September 30, 2025	December 31, 2024	September 30, 2024
Book value of lease liabilities			
Current	<u>\$ 49,744</u>	<u>\$ 48,588</u>	<u>\$ 48,265</u>
Non-current	<u>\$ 263,712</u>	<u>\$ 311,051</u>	<u>\$ 323,388</u>

Discount rate interval (%) of lease liabilities is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	1.605	1.605	1.605
Buildings	1.247~4.75	1.164~4.75	1.164~4.75
Machinery and equipment	1.023	1.023	1.023

(III) Important lease-in activities and terms and conditions

The Company and its subsidiaries leased offices, plants, machinery and equipment, and parking spaces, and the lease periods have gradually expired before the end of December 2034. Upon termination of the lease term, the Company and its subsidiaries have no preferential right to acquire the leased right-of-use assets, and it is agreed that the Company and its subsidiaries shall not sublease or transfer the subject of the lease, in whole or in part.

(IV) Other lease information

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-term and low-value lease expenses	<u>\$ 698</u>	<u>\$ 468</u>	<u>\$ 2,534</u>	<u>\$ 1,405</u>
Total cash outflows of all lease agreements (including short-term leases)			<u>\$ 45,005</u>	<u>\$ 40,689</u>

The Company and its subsidiaries have elected to apply the recognition exemption for leases of parking spaces and staff dormitories that qualify as short-term leases and other equipment that qualifies for low-value asset leases, and do not recognize right-of-use assets and lease liabilities for these leases.

XIII. Intangible assets

	September 30, 2025	December 31, 2024	September 30, 2024
Computer software	\$ 5,531	\$ 4,839	\$ 4,419
Product certificate	72,642	60,253	32,634
Intangible assets under development	49,684	47,584	64,070
Other intangible assets (primarily consisting of customer relationships, customer lists, and trademark rights)	<u>15,177</u>	<u>-</u>	<u>-</u>
	<u>\$143,034</u>	<u>\$112,676</u>	<u>\$101,123</u>

January 1 to September 30, 2025

	Computer software	Product certificate	Intangible assets under development	Other intangible assets	Total
<u>Cost</u>					
Balance on January 1, 2025	\$ 21,641	\$ 96,511	\$ 47,584	\$ -	\$ 165,736
Addition	3,710	-	23,710	16,343	43,763
Reclassification	-	20,825	(20,825)	-	-
Exchange difference, net	<u>(285)</u>	<u>(1,953)</u>	<u>(785)</u>	<u>(406)</u>	<u>(3,429)</u>
Balance on September 30, 2025	<u>25,066</u>	<u>115,383</u>	<u>49,684</u>	<u>15,937</u>	<u>206,070</u>
<u>Accumulated amortization</u>					
Balance on January 1, 2025	16,802	36,258	-	-	53,060
Amortization expense	2,967	7,388	-	778	11,133
Exchange difference, net	<u>(234)</u>	<u>(905)</u>	<u>-</u>	<u>(18)</u>	<u>(1,157)</u>
Balance on September 30, 2025	<u>19,535</u>	<u>42,741</u>	<u>-</u>	<u>760</u>	<u>63,036</u>
Net as of December 31, 2024	<u>\$ 4,839</u>	<u>\$ 60,253</u>	<u>\$ 47,584</u>	<u>\$ -</u>	<u>\$ 112,676</u>
Net as of September 30, 2025	<u>\$ 5,531</u>	<u>\$ 72,642</u>	<u>\$ 49,684</u>	<u>\$ 15,177</u>	<u>\$ 143,034</u>

January 1 to September 30, 2024

	Computer software	Product certificate	Intangible assets under development	Total
<u>Cost</u>				
Balance on January 1, 2024	\$ 16,880	\$ 48,822	\$ 52,851	\$ 118,553
Addition	2,962	-	27,631	30,593
Disposition	(40)	-	-	(40)
Reclassification	-	16,412	(16,412)	-
Exchange difference, net	<u>242</u>	<u>1,298</u>	<u>-</u>	<u>1,540</u>
Balance on September 30, 2024	<u>20,044</u>	<u>66,532</u>	<u>64,070</u>	<u>150,646</u>

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	Computer software	Medical device permit	Intangible assets under development	Total
<u>Accumulated amortization</u>				
Balance on January 1, 2024	\$ 11,037	\$ 26,813	\$ -	\$ 37,850
Amortization expense	4,428	6,475	-	10,903
Disposition	(40)	-	-	(40)
Exchange difference, net	<u>200</u>	<u>610</u>	<u>-</u>	<u>810</u>
Balance on September 30, 2024	<u>15,625</u>	<u>33,898</u>	<u>-</u>	<u>49,523</u>
Net as of September 30, 2024	<u>\$ 4,419</u>	<u>\$ 32,634</u>	<u>\$ 64,070</u>	<u>\$ 101,123</u>

The above-mentioned intangible assets with finite useful lives are amortized on a straight-line basis based on the following useful lives:

Computer software	1 to 5 years
Product certificate	5 to 10 years
Other intangible assets	15 years

The amount prepaid by the Company and its subsidiaries to apply for the relevant product certificate are recognized as intangible assets under development and will be transferred to intangible assets - product certificate when the approval certificate is duly obtained.

XIV. Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Credit loans			
Expiring successively before June 2032	\$ 497,613	\$ 988,105	\$ 1,054,906
Secured borrowings			
Expiring successively before March 2035	<u>840,750</u>	<u>-</u>	<u>-</u>
	1,338,363	988,105	1,054,906
Less: Due within one year	148,488	156,078	172,694
Less: Recognized as deferred income – current (Note 24)	3,622	4,107	4,444
Less: Recognized as deferred income – non-current (Note 24)	<u>12,340</u>	<u>8,463</u>	<u>9,429</u>
	<u>\$ 1,173,913</u>	<u>\$ 819,457</u>	<u>\$ 868,339</u>
Interest rate range (%)			
Credit loans	0.725~1.8	0.725~1.82	0.725~1.82
Secured borrowings	1.62~1.82	-	-

According to the loan agreements signed between the Company and Mega Bank, Chinatrust Bank and Taishin Bank, the relevant financial ratios and amounts of the semi-annual consolidated financial statements audited and certified by the CPA for the Company and its subsidiaries should comply with certain ratios. The aforementioned regulations are subject to review on a semi-annual or annual basis. The Company's consolidated financial statements for Q2 2025 and Q2 2024, and for the fiscal year 2024, were not in violation of the aforementioned regulations.

Please refer to Notes 29 and 30 for the status of joint guarantees and collateral provided for long-term borrowings by the Company and its subsidiaries.

XV. Accounts payable

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable	<u>\$ 233,402</u>	<u>\$ 194,453</u>	<u>\$ 171,911</u>

The Company and its subsidiaries have financial risk management policies to ensure that all payables are repaid within the pre-agreed credit terms.

XVI. Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Remuneration payable to employees and directors	\$ 70,949	\$ 90,270	\$ 69,798
Bonus payable	62,222	66,658	52,838
Payable insurance premiums and pensions	52,494	48,693	46,816
Salary payable	34,807	39,454	30,359
Payables for equipment	27,232	43,745	98,436
Others (consumables, repairs, and miscellaneous purchases)	<u>69,541</u>	<u>47,332</u>	<u>45,486</u>
	<u>\$ 317,245</u>	<u>\$ 336,152</u>	<u>\$ 343,733</u>

XVII. Post-employment benefit plan

The Company's pension system under the "Labor Pension Act" is a state-managed defined contribution plan. Under the Labor Pension Act, the Company makes monthly contributions to employees' individual pension accounts at 6% of their monthly salaries and wages.

According to the local laws and regulations, the subsidiaries in Mainland China are required to contribute a specific percentage of the salary cost to the relevant government departments.

The pension expenses related to the defined benefit plan recognized for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were calculated based on the pension cost rates determined by actuarial valuations as of December 31, 2024 and 2023, amounting to NT\$373 thousand, NT\$331 thousand, NT\$1,119 thousand, and NT\$1,063 thousand, respectively.

XVIII. Equity

(I) Common stock capital	September 30, 2025	December 31, 2024	September 30, 2024
Rated number of shares (thousand shares)	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Authorized share capital	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>
Number of issued and fully paid shares (thousand shares)	<u>58,528</u>	<u>57,925</u>	<u>57,917</u>
Issued share capital	<u>\$ 585,277</u>	<u>\$ 579,247</u>	<u>\$ 579,167</u>

On December 13, 2023, the Board of Directors resolved to issue 5,057 thousand new shares with a par value of NT\$10 per share for cash capital increase. The capital increase was approved by the Securities and Futures Bureau of the Financial Supervisory Commission on January 10, 2024. The Board of Directors designated March 14, 2024 as the base date for the capital increase, and the change in capital was completed and registered on April 15, 2024.

The aforementioned cash capital increase included a public offering, competitive auction, and employee subscription. The public offering and employee subscription were issued at a premium of NT\$180 per share, while the competitive auction was issued at a premium of NT\$260.51 per share, which was the weighted average of the winning bid price. The total issuance amount of NT\$1,195,263 thousand was fully received, and after deducting issuance costs of NT\$3,000 thousand, NT\$50,570 thousand was recorded as ordinary share capital and NT\$1,141,693 thousand as capital surplus – share premium. Regarding the recognition of compensation costs related to the new shares reserved for employee subscription from the cash capital increase, please refer to Note 23.

From January 1 to September 30, 2025, the Company issued 603 thousand shares due to employees exercising stock options at a weighted average price of NT\$45.81 per share issued at premium. The difference between issue price and par value of NT\$21,593 thousand was recorded under capital surplus - premium on stock issuance. Of these shares, the Company plans to register 104 thousand shares with the Ministry of Economic Affairs after the approval and issuance of this financial report.

In 2024, the Company issued 413 thousand shares due to employees exercising stock options, issued at a premium of NT\$28.96 per share. The difference between the issuance price and par value of NT\$7,831 thousand was recorded under capital surplus - additional paid-in capital from share issuance.

(II) Capital reserve	September 30, 2025	December 31, 2024	September 30, 2024
Can be used to offset losses, distribute cash or capitalize on share capital (Note 1)			
Premium from stock issuance	\$ 1,843,697	\$ 1,814,601	\$ 1,814,375
Difference Between the Fair Value and Carrying Amount of the Consideration Paid or Received for the Acquisition or Disposal of Subsidiaries	29	-	-
From gifts and acceptances (Note 2)	1,800	1,800	1,800
<u>Not to be used for any purpose</u>			
Employee share warrants	<u>5,627</u>	<u>11,694</u>	<u>\$ 10,693</u>
	<u>\$ 1,851,153</u>	<u>\$ 1,828,095</u>	<u>\$ 1,826,868</u>

Note 1: Such capital reserves may be used to make up for deficits, and may be used to distribute cash or capitalize on share capital when the Company has no losses. However, the capital reserves shall be limited to a certain percentage of the paid-in capital each year.

Note 2: Assets donated by the Company as received by the Chairman.

(III) Retained earnings and dividend policy

According to the Company's Articles of Incorporation, if there is a profit at the end of the year, it shall first pay taxes and make up for past losses and then distribute it as follows:

1. Set aside 10% as a legal reserve, unless the legal reserve reaches the amount of the Company's paid-in capital.
2. Provision or reversal of special reserve in accordance with the regulations of the competent authority.
3. The remainder is added to the accumulated undistributed earnings of the previous years as the earnings available for distribution, and the board of directors prepares an earnings appropriation proposal and submits it to the shareholders' meeting for resolution.

The Company pursues sustainable operations and stable management and development in line with the overall environment, industry growth characteristics, and the Company's long-term financial planning. The Company adopts a residual dividend policy where the annual fund needs are measured based on the Company's future capital budget planning. After the funds required for financing are reserved, the remaining earnings may be distributed in the form of cash dividends and stock dividends. The distribution steps are as follows:

1. Determine the optimal capital budget.
2. Determine the funds required for financing for the aforesaid capital budget.
3. Determine how much of the funds for financing are covered by retained earnings.

4. After an appropriate portion of the remaining earnings is retained depending on the operational needs, the remainder may be distributed to shareholders in the form of dividends. The amount to be distributed shall not be less than 10% of the Company's distributable earnings for the year, provided that the cash dividend shall not be less than 10% of the total dividends to be distributed.

The legal reserve can be used to make up for losses. When the company has no losses, the portion of the legal reserve exceeding 25% of the total paid-in capital can be allocated to capital and distributed in cash.

The Company's shareholders' meetings held in May 2025 and May 2024 approved the following appropriation of earnings and dividends per share for fiscal years 2024 and 2023, respectively:

	Proposal for the distribution of earnings		Dividends per share (NTD)	
	2024	2023	2024	2023
Statutory Reserve	\$ 66,942	\$ 27,149		
Appropriation (reversal) of special reserve	(9,499)	9,499		
Cash dividends	322,641	187,263	\$ 5.57	\$ 3.23

- (IV) Other equity
Exchange differences on translation of financial statements of foreign operations:

	January 1 to September 30, 2025	January 1 to September 30, 2024
Opening balance	\$ 19,275	\$ (9,499)
Exchange differences arising from the translation of net assets of foreign operations	(63,829)	48,366
Related income tax	12,766	(9,674)
Closing balance	<u>\$ (31,788)</u>	<u>\$ 29,193</u>

- (V) Non-controlling interests

	January 1 to September 30, 2025	January 1 to September 30, 2024
Opening balance	\$ 316,862	\$ 248,487
Net income for the period	43,038	46,397
Other comprehensive income in the current period		
Foreign Currency Translation Adjustment	(15,172)	12,091
Changes in non-controlling interests due to subsidiary capital increase (Note 25)	35,571	-
Increase in non-controlling interests from acquisition of subsidiaries	820	-
Closing balance	<u>\$ 381,119</u>	<u>\$ 306,975</u>

XIX. Revenue

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Revenue from contracts with customers				
Merchandise sales	\$ 850,145	\$ 740,606	\$ 2,527,743	\$ 2,234,511
revenue				
Others	<u>3,457</u>	<u>1,839</u>	<u>8,755</u>	<u>5,737</u>
	<u>\$ 853,602</u>	<u>\$ 742,445</u>	<u>\$ 2,536,498</u>	<u>\$ 2,240,248</u>

(I) Contract balance

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Notes and accounts receivable	<u>\$ 705,402</u>	<u>\$ 641,421</u>	<u>\$ 602,650</u>	<u>\$ 621,171</u>
Contract liabilities				
Sales of goods	<u>\$ 15,660</u>	<u>\$ 4,384</u>	<u>\$ 5,132</u>	<u>\$ 6,279</u>

The changes in contract liabilities were primarily due to timing differences between satisfying performance obligations and customer payments for the periods from January 1 to September 30, 2025 and 2024, with no other significant changes.

The amounts of revenue recognized in the current period that were included in the opening contract liability balance:

	January 1 to September 30, 2025	January 1 to September 30, 2024
Contract liabilities at the beginning of the year		
Sales of goods	<u>\$ 4,383</u>	<u>\$ 6,073</u>

(II) Breakdown of revenue from customer contracts
January 1 to September 30, 2025

	Reporting department		
	Contact lens - injection molded sheet	Others	Total
Type of income			
Merchandise sales revenue	\$ 2,527,743	\$ -	\$ 2,527,743
Other operating revenue	<u>-</u>	<u>8,755</u>	<u>8,755</u>
	<u>\$ 2,527,743</u>	<u>\$ 8,755</u>	<u>\$ 2,536,498</u>

January 1 to September 30, 2024

	Reporting department		
	Contact lens - injection molded sheet	Others	Total
Type of income			
Merchandise sales revenue	\$ 2,234,511	\$ -	\$ 2,234,511
Other operating revenue	<u>-</u>	<u>5,737</u>	<u>5,737</u>
	<u>\$ 2,234,511</u>	<u>\$ 5,737</u>	<u>\$ 2,240,248</u>

XX. Net income before tax

Net income before tax includes the following items:

(I)	Interest revenue	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
	Bank deposits	\$ 3,582	\$ 3,804	\$ 13,346	\$ 13,154
	Others	<u>12</u>	<u>15</u>	<u>251</u>	<u>43</u>
		<u>\$ 3,594</u>	<u>\$ 3,819</u>	<u>\$ 13,597</u>	<u>\$ 13,197</u>
(II)	Other income	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
	Government grant income	\$ 1,248	\$ 1,865	\$ 11,263	\$ 5,589
	Others	<u>1,623</u>	<u>1,516</u>	<u>3,997</u>	<u>5,245</u>
		<u>\$ 2,871</u>	<u>\$ 3,381</u>	<u>\$ 15,260</u>	<u>\$ 10,834</u>
(III)	Other gains and losses	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
	Net foreign exchange gain or loss	\$ 36,466	\$ (474)	\$(25,155)	\$ 18,943
	Net Loss on Financial Assets and Liabilities at Fair Value Through Profit or Loss	(4,727)	-	(4,727)	-
	Gains from the disposal of property, plant and equipment	(29)	-	(4)	16
	Others	<u>1,377</u>	<u>(184)</u>	<u>23</u>	<u>2,113</u>
		<u>\$ 33,087</u>	<u>\$ (658)</u>	<u>\$(29,863)</u>	<u>\$ 21,072</u>

The above net foreign currency exchange gains and losses are detailed as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Foreign exchange gain	\$ 11,295	\$ 4,586	\$ 25,890	\$ 28,470
Total foreign currency exchange losses	<u>25,171</u>	<u>(5,060)</u>	<u>(51,045)</u>	<u>(9,527)</u>
Net profit (loss)	<u>\$ 36,466</u>	<u>\$ (474)</u>	<u>\$(25,155)</u>	<u>\$ 18,943</u>

(IV) Finance Costs	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Interest on bank borrowings	\$ 5,630	\$ 5,105	\$ 14,177	\$ 16,636
Interest on lease liabilities	2,162	2,665	6,971	5,133
Others	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>
Total interest expenses of financial liabilities at fair value through profit and loss	7,795	7,770	21,151	21,769
Less: Amount to be included in the cost of eligible assets	<u>726</u>	<u>-</u>	<u>1,130</u>	<u>8</u>
	<u>\$ 7,069</u>	<u>\$ 7,770</u>	<u>\$ 20,021</u>	<u>\$ 21,761</u>

Information on interest capitalization is as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Amount of capitalized interest	\$ 726	\$ -	\$ 1,130	\$ 8
Interest capitalized interest rate (%)	1.62	-	1.62	3.95

(V) Depreciation and amortization	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Property, plant and equipment	\$ 87,911	\$ 76,006	\$ 251,509	\$ 222,249
Right-of-use assets	12,588	12,650	37,680	30,168
Intangible assets	<u>3,621</u>	<u>4,058</u>	<u>11,133</u>	<u>10,903</u>
	<u>\$ 104,120</u>	<u>\$ 92,714</u>	<u>\$ 300,322</u>	<u>\$ 263,320</u>
Depreciation expenses by function				
Operating cost	\$ 95,070	\$ 84,764	\$ 274,664	\$ 241,812
Operating expenses	<u>5,429</u>	<u>3,892</u>	<u>14,525</u>	<u>10,605</u>
	<u>\$ 100,499</u>	<u>\$ 88,656</u>	<u>\$ 289,189</u>	<u>\$ 252,417</u>
Amortization expenses by function				
Operating cost	\$ 781	\$ 1,437	\$ 2,587	\$ 4,084
Operating expenses	<u>2,840</u>	<u>2,621</u>	<u>8,546</u>	<u>6,819</u>
	<u>\$ 3,621</u>	<u>\$ 4,058</u>	<u>\$ 11,133</u>	<u>\$ 10,903</u>

(VI)	Employee benefit expense				
		July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
	Short-term employee benefits				
	Salary	\$ 169,157	\$ 130,862	\$ 496,848	\$ 440,228
	Labor and national health insurance	13,588	13,079	41,026	36,956
	Others	<u>15,833</u>	<u>12,648</u>	<u>41,299</u>	<u>37,096</u>
		198,578	156,589	579,173	514,280
	Post-employment benefits				
	Defined contribution plan	7,901	7,998	19,088	23,543
	Defined benefit plan (Note 17)	<u>373</u>	<u>331</u>	<u>1,119</u>	<u>1,063</u>
		<u>\$ 206,852</u>	<u>\$ 164,918</u>	<u>\$ 599,380</u>	<u>\$ 538,886</u>
	Summary by function				
	Operating cost	\$ 143,946	\$ 123,568	\$ 415,342	\$ 396,081
	Operating expenses	<u>62,906</u>	<u>41,350</u>	<u>184,038</u>	<u>142,805</u>
		<u>\$ 206,852</u>	<u>\$ 164,918</u>	<u>\$ 599,380</u>	<u>\$ 538,886</u>

(VII) Remuneration to employees and directors

The company allocates employee and director remunerations based on pre-tax net income before distributions to employees and directors at rates ranging from 1% to 12% and up to 1.5%, respectively. However, if the company still has accumulated losses, it must first reserve amounts to cover these losses before allocating employee and director remunerations according to the aforementioned percentages.

Following amendments to the Securities and Exchange Act in August 2024, the Company has resolved at the 2025 shareholders' meeting to amend its articles of incorporation, stipulating that from the amount allocated for employee compensation, no less than 1% shall be allocated as compensation distributed to entry-level employees.

For the periods from January 1 to September 30, 2025 and 2024, the estimated amounts of employee compensation and directors' remuneration are as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
<u>Amount</u>				
Remuneration to employees	\$ 19,091	\$ 4,545	\$ 52,446	\$ 37,060
Remuneration to directors	1,732	1,055	4,391	4,196

If there is still a change in the amount of the annual consolidated financial statements after the publication date, it will be treated as a change in the accounting estimate and will be adjusted and accounted for in the following year.

In March 2025 and 2024, the Company's Board of Directors approved the following amounts of employee compensation and directors' remuneration for 2024 and 2023, respectively:

<u>Amount</u>	<u>2024</u>	<u>2023</u>
Remuneration to employees	\$ 54,688	\$ 77,704
Remuneration to directors	5,633	8,547

There is no difference between the actual amount of employees' and directors' remuneration distributed for 2024 and 2023 and the amount recognized in the consolidated financial statements.

For information on employees' remuneration and remuneration of directors resolved by the Company's board of directors, please visit the Market Observation Post System of the Taiwan Stock Exchange.

XXI. Income tax

(I) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Current income tax				
Incurred in the current period	\$ 38,405	\$ 38,251	\$ 131,350	\$ 109,087
Adjustments from previous years	<u>(5,386)</u>	<u>(28)</u>	<u>(29,299)</u>	<u>(15,441)</u>
	<u>33,019</u>	<u>38,223</u>	<u>102,051</u>	<u>93,646</u>
Deferred income tax				
Incurred in the current period	22,528	8,412	27,717	48,996
Adjustments from previous years	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29)</u>
	<u>22,528</u>	<u>8,412</u>	<u>27,717</u>	<u>48,967</u>
	<u>\$ 55,547</u>	<u>\$ 46,635</u>	<u>\$ 129,768</u>	<u>\$ 142,613</u>

(II) Income tax recognized in other comprehensive income

	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Deferred income tax				
Foreign Currency Translation Adjustment	<u>\$ 11,459</u>	<u>\$ 4,050</u>	<u>\$ (12,766)</u>	<u>\$ 9,674</u>

(III) Authorization of income tax

The income tax returns of the Company up to 2023 have been approved by the tax authorities.

XXII. Earnings per share

The net income and the weighted average number of ordinary shares used to calculate the earnings per share are as follows:

Net income for the period

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Net income attributable to owners of the Company	<u>\$ 192,813</u>	<u>\$ 144,744</u>	<u>\$ 535,236</u>	<u>\$ 500,320</u>

Number of shares (unit: thousand)

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Weighted average number of ordinary shares for calculation of basic earnings per share	58,476	57,904	58,202	56,302
Potential dilutive ordinary shares				
Remuneration to employees	293	159	365	225
Employee share warrants	<u>169</u>	<u>680</u>	<u>169</u>	<u>680</u>
Weighted average number of ordinary shares for calculation of diluted earnings per share	<u>58,938</u>	<u>58,743</u>	<u>58,736</u>	<u>57,207</u>

If the company chooses to distribute employee remunerations in either stock or cash, when calculating diluted earnings per share, it is assumed that remunerations will be paid in stock, and this potential common stock is included in the weighted average number of shares outstanding when it has a dilutive effect to compute diluted earnings per share. The dilutive effect of these potential ordinary shares will also be taken into account when calculating the diluted earnings per share before the number of shares to be distributed to employees in the following year.

XXIII. Share-based payment agreement

(I) Initial public offering and underwriting

On December 13, 2023, the Company's Board of Directors resolved to conduct an initial public offering by issuing new shares for cash capital increase and reserved 632 thousand shares for employee subscription in accordance with the Company Act. If any shares reserved for employee subscription remain unsubscribed or are waived, the chairman is authorized to seek subscription from specific individuals. On the grant date, the Company recognized compensation costs and capital surplus – employee share options of NT\$20,403 thousand based on an option pricing model.

The Company's employees and specific individuals subscribed for 632 thousand ordinary shares at an exercise price of NT\$180 per share. The Company

transferred NT\$20,403 thousand from capital surplus – employee share options to capital surplus – share premium (from share options exercised).

(II) Employee stock option plan

In May 2021 and December 2022, the company's board of directors resolved to issue 1,700 thousand and 300 thousand stock options to employees, respectively. Each unit entitles the holder to subscribe for one ordinary share and is available to employees who meet specific eligibility criteria. The warrants have a lifespan of six years. The holders can exercise a certain proportion of their subscription rights starting two years after the issue date. Following the issuance of the warrants, if there are any changes in the issuance of the company's ordinary shares, the exercise price of the warrants will be adjusted according to the specified formula.

Information on employee stock options is as follows:

	January 1 to September 30, 2025		January 1 to September 30, 2024	
	Unit	Weighted average exercise price (NTD)	Unit	Weighted average exercise price (NTD)
	(Thousands)		(Thousands)	
<u>Employee share warrants</u>				
Shares outstanding at beginning of period	906		1,343	
Forfeitures during the period	-		(20)	
Grants during the period	<u>(603)</u>	<u>\$ 45.81</u>	<u>(405)</u>	<u>\$ 28.96</u>
Shares outstanding at end of period	<u>303</u>	<u>\$ 78.75</u>	<u>918</u>	<u>\$ 57.39</u>
Executable at the end of period	<u>163</u>		<u>42</u>	

As of September 30, 2025, information on outstanding employee stock options is as follows:

<u>Range of exercise price</u>	<u>Weighted average remaining contract term (years)</u>
\$ 28.06~118.4	2.38

The Company adopts the Black-Scholes valuation model for granting stock warrants to employees, and the inputs used in the valuation model are as follows:

	<u>2022</u>	<u>2021</u>
Grant-date stock price	NT\$99.72	NT\$29.26
Exercise price	NT\$129.4	NT\$30
Expected stock price	40.68~41.53	39.03~39.64
volatility (%)		
Expected duration (year)	4~4.5	4~5
Expected dividend yield	-	-
Expected subscription ratio (%)	100	100
Risk-free interest rate (%)	1.12~1.13	0.26~0.28

For the periods from January 1 to September 30, 2025 and 2024, the Company recognized compensation costs of NT\$1,436 thousand and NT\$3,419 thousand, respectively, with corresponding amounts recognized in capital surplus – employee share options.

From January 1 to September 30, 2025, employee stock options in the amount of NT\$7,503 thousand were implemented and the amount transferred from the capital surplus to the capital reserve – stock issuance premium.

From January 1 to September 30, 2024, the Company transferred NT\$3,779 thousand from capital surplus – employee stock options to capital surplus – additional paid-in capital due to the exercise of employee stock options.

XXIV. Government grants

The company has obtained government-subsidized loans with preferential interest rates under the ‘Welcoming Taiwanese Businesses to Invest Back in Taiwan Action Plan’, which are used for capital expenditures and working capital needs. The fair value of these loans is estimated based on the interest rates under normal conditions of the company. The difference between the fair value and the amount of the loans obtained is considered a government subsidy for low-interest loans and is recognized as deferred income:

	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>	
Opening balance	\$ 12,570	\$ 16,384	
Recognition of difference in fair value in current period	6,569	3,041	
Recognized in current period (accounted for other income)	<u>(3,177)</u>	<u>(5,552)</u>	
Closing balance	<u>\$ 15,962</u>	<u>\$ 13,873</u>	
	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Book value of deferred income</u>			
Deferred revenue	\$ 3,622	\$ 4,107	\$ 4,444
Long-term deferred revenue	<u>12,340</u>	<u>8,463</u>	<u>9,429</u>
	<u>\$ 15,962</u>	<u>\$ 12,570</u>	<u>\$ 13,873</u>

XXV. Equity transactions with non-controlling interests - January 1 to September 30, 2025 only

In January 2025, the Company did not subscribe to subsidiary Star Focus Inc.'s cash capital increase in proportion to its shareholding, resulting in the shareholding percentage decreasing from 100% to 40.67%. Since the above transaction did not change the Company's control over the subsidiary, the Company treated it as an equity transaction. Related information is as follows:

	<u>January 1 to September 30, 2025</u>
Cash consideration received	\$ 35,600
Amount of subsidiary's net asset carrying value to be transferred to non-controlling interests calculated based on relative change in equity interest	<u>(35,571)</u>
Equity transaction balance	<u>\$ 29</u>

The Company's adjustment to the above equity transaction difference is as follows:

	<u>January 1 to September 30, 2025</u>
Capital reserve - the difference between the price of the subsidiary's equity actually acquired or disposed of and the book value	<u>\$ 29</u>

XXVI. Non-cash transactions

For the periods from January 1 to September 30, 2025 and 2024, the Company and subsidiaries had the following non-cash investing activities:

	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Investment activities that affect both cash and non-cash items		
Increase in property, plant and equipment	\$691,811	\$858,654
Decrease (increase) of payables for equipment	16,513	(45,019)
Prepaid equipment purchase increase (decrease)	3,560	(35,308)
Capitalized interest	<u>(1,130)</u>	<u>(8)</u>
Amount of cash paid	<u>\$710,754</u>	<u>\$778,319</u>

XXVII. Capital risk management

The Company and its subsidiaries manage capital to ensure that they can optimize the balance of debt and equity to ensure the efficient use of capital and the smooth operation of the Company and subsidiaries under the premise of continuing to operate.

The company and its subsidiaries’ capital structure consists of net debt and equity. The senior management regularly reviews the capital structure based on the current industry operational status and future development of the company, considering factors such as changes in the external environment. The review includes the cost of various types of capital and related risks, balancing the overall capital structure through issuing new shares, procuring new debt, and repaying existing debts.

XXVIII. Financial instruments

(I) Information on fair value - financial instruments not measured at fair value

The Company and its subsidiaries’ management believe that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

(II) Type of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Measured at amortized cost (Note 1)	\$ 2,245,244	\$ 2,089,471	\$ 1,938,017
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	1,873,060	1,506,585	1,557,126

Note 1: The balance includes financial assets measured at amortized cost such as cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets – current, and refundable deposits.

Note 2: The balance includes accounts payable, other payables, refund liabilities (classified under other current liabilities), long-term borrowings (including long-term borrowings due within one year), and refundable deposits (classified under other non-current liabilities) , as well as financial liabilities measured at amortized cost.

(III) Financial risk management objectives and policies

The main financial instruments of the Company and its subsidiaries include accounts receivable, long-term and short-term loans, accounts payable and lease liabilities. The financial management department provides services for each business unit and coordinates the operation of entering the domestic financial market. Extensive analysis of risk exposure and internal risk reports; monitoring and management of financial risks related to the operations of the Company and its subsidiaries. Such risks include market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk.

The significant financial activities of the Company and its subsidiaries are conducted by the Board of Directors in accordance with relevant regulations, internal control systems, and management policies. Internal audit personnel continuously review compliance with policies and risk exposure levels. The Company and its subsidiaries do not engage in transactions involving financial instruments (including derivative instruments) for speculative purposes.

1. Market risk

The main financial risks to which the Company and its subsidiaries are exposed are the risk of changes in foreign currency exchange rates (see (1) below) and the risk of changes in interest rates (see (2) below).

There has been no change to the Company's and subsidiaries' exposure to market risks of financial instruments and the management and measurement of such exposures.

(1) Exchange rate risk

The Company and its subsidiaries engage in activities such as sales and purchase transactions, capital expenditures, and equity investments that are denominated in non-functional currencies, resulting in exchange rate risk. The foreign exchange risk management of the Company and its subsidiaries manage and reduce risks by engaging in forward foreign exchange contract transactions, utilizing purchased foreign currency deposits, and foreign currency receivables and payables of the same category generated from transactions within the scope permitted by policies.

For the carrying amounts of monetary assets and monetary liabilities denominated in non-functional currencies of the Company and its subsidiaries at the balance sheet date, please refer to Note 32.

The Company and its subsidiaries were mainly affected by fluctuations in the exchange rates of the USD and CNY. The following table details a sensitivity analysis when the functional currency of the company depreciates by 1% against the US dollar and the Chinese Yuan. The 1% sensitivity ratio is used internally by the company to report exchange rate risks to senior management and represents management's assessment of the reasonably possible range of foreign exchange rate fluctuations. The sensitivity analysis only includes monetary items in USD and RMB outstanding.

	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
<u>Impact of USD</u>		
Net income before tax	\$ 4,038	\$ 2,121
<u>Impact of RMB</u>		
Net income before tax	4,614	1,720

Note: Mainly derived from the outstanding USD and RMB (including cash and cash equivalents, accounts receivable, accounts payable,

and other payables) that are still outstanding at the end of the reporting period for cash flow hedging.

Management believes that sensitivity analysis cannot represent the inherent risk of exchange rates, as the foreign currency exposure at the balance sheet date does not reflect exposures during the period, and sales denominated in USD and RMB may vary with customer orders and economic cycles.

(2) Interest rate risk

As the Company and its subsidiaries borrow funds at floating interest rates, interest rate risk exposure arises. The Company and its subsidiaries manage the interest rate risk by maintaining an appropriate portfolio of floating interest rates.

The carrying amounts of financial assets and financial liabilities of the Company and its subsidiaries with exposure to the interest rate risk on the balance sheet date are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
Financial assets	\$ 516,106	\$ 643,078	\$ 707,705
Financial liabilities	313,456	359,639	371,653
Cash flow interest rate risk			
Financial assets	994,255	787,657	605,704
Financial liabilities	1,322,401	975,535	1,041,033

The following sensitivity analysis is based on the interest rate risk exposure of the non-derivative instruments at the balance sheet date. For liabilities with floating interest rates, the analysis method is based on the assumption that the amount of liabilities outstanding on the balance sheet date is outstanding throughout the reporting period. The rate of change used by the Company and subsidiaries to report interest rates to management is increased or decreased by 1%, which also represents management's assessment of the reasonably possible range of interest rates.

If interest rates on financial liabilities increased by 1%, with all other variables held constant, the Company's pre-tax net income for the periods from January 1 to September 30, 2025 and 2024 would have decreased by NT\$9,918 thousand and NT\$7,808 thousand, respectively.

2. Credit risk

Credit risk refers to the risk of financial loss to the Company and its subsidiaries due to the counterparty's default on contractual obligations. As of the balance sheet date, the maximum credit risk exposure of the Company and its subsidiaries that may cause financial losses due to the counterparty's failure to perform its obligations is the book value of financial assets recognized in the balance sheet.

All of the company and its subsidiaries' trading partners are companies with good creditworthiness. Business units grant trading credit limits based on the results of each credit assessment, and they regularly track the collection of receivables. In recent years, there have been very few actual cases of bad debts, and thus no significant credit risks are anticipated.

The company and its subsidiaries' receivables are significantly concentrated with several clients who engage in similar commercial activities and have similar economic characteristics. Consequently, their ability to fulfill contractual obligations is similarly affected by economic or other conditions, leading to a significant concentration of credit risk. The net accounts receivable of customers with significant concentration of credit risk are as follows:

Customer name	September 30, 2025	December 31, 2024	September 30, 2024
Company A	\$ 154,189	\$ 175,156	\$ 148,375
Company B	91,513	53,685	36,142
Company C	89,309	26,147	84,930
Company D	35,358	99,680	105,893

3. Liquidity risk

The Company and its subsidiaries manage and maintain sufficient cash position to support the Company's operations and mitigate the impact of cash flow fluctuations. They also monitor the use of bank financing facilities and ensure compliance with the terms of the loan contract.

Bank borrowings are an important source of liquidity for the Company and its subsidiaries. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Company and its subsidiaries had unutilized bank loan facilities of NT\$4,825,345 thousand, NT\$3,860,126 thousand, and NT\$1,990,742 thousand, respectively. Therefore, there was no liquidity risk arising from the inability to raise funds to fulfill contractual obligations.

The following table shows the non-derivative financial liabilities of the Company and its subsidiaries. The analysis is based on the remaining contractual maturity of the agreed repayment period, and is prepared based on the undiscounted cash flow of the earliest possible date on which repayment may be required (including interest and principal cash flows).

The bank borrowings that the Company and its subsidiaries may be required to repay immediately are serialized within the earliest period in the following table, regardless of the possibility of the bank executing the right immediately. The maturity analysis of other non-derivative financial liabilities is based on the agreed repayment date preparation.

September 30, 2025

	Within 1 year	1 to 5 years	More than 5 years	Total
Non-interest-bearing liabilities	\$ 550,647	\$ 12	\$ -	\$ 550,659
Instruments with floating interest rates	165,607	937,826	307,771	1,411,204
Lease liabilities	<u>57,836</u>	<u>174,838</u>	<u>117,492</u>	<u>350,166</u>
	<u>\$ 774,090</u>	<u>\$ 1,112,676</u>	<u>\$ 425,263</u>	<u>\$ 2,312,029</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years
Lease liabilities	\$ 57,836	\$ 174,838	\$ 117,492	\$ -

December 31, 2024

	Within 1 year	1 to 5 years	More than 5 years	Total
Non-interest-bearing liabilities Instruments with floating interest rates	\$ 530,605	\$ 237	\$ -	\$ 530,842
Lease liabilities	165,921	847,665	-	1,013,586
	<u>58,301</u>	<u>194,765</u>	<u>154,746</u>	<u>407,812</u>
	<u>\$ 754,827</u>	<u>\$ 1,042,667</u>	<u>\$ 154,746</u>	<u>\$ 1,952,240</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years
Lease liabilities	\$ 58,301	\$ 194,765	\$ 154,746	\$ -

September 30, 2024

	Within 1 year	1 to 5 years	More than 5 years	Total
Non-interest-bearing liabilities Instruments with floating interest rates	\$ 515,644	\$ 239	\$ -	\$ 515,883
Lease liabilities	182,658	892,015	8,226	1,082,899
	<u>58,315</u>	<u>199,849</u>	<u>164,520</u>	<u>422,684</u>
	<u>\$ 756,617</u>	<u>\$ 1,092,103</u>	<u>\$ 172,746</u>	<u>\$ 2,021,466</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years
Lease liabilities	\$ 58,315	\$ 199,849	\$ 164,520	\$ -

XXIX. Related party transactions

(I) Names of related parties and their relationships

<u>Name of related party</u>	<u>Relationship with the Company and its subsidiaries</u>
An Shih	Key management personnel of the Company
Chang Wah Electromaterials Inc.	Serving as the Company's institutional director
Jiangsu Yuyue Medical Equipment & Supply Co., Ltd (Jiangsu Yuyue)	Substantive related party
Jiangsu No.1 Garden Investment Co., Ltd.	Substantive related party
Jiangsu Joyea Co., Ltd. (Jiangsu Joyea)	Substantive related party

(II) Closing balance				
	<u>Category/Name of related party</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Prepayment for equipment	Jiangsu Joyea	<u>\$ -</u>	<u>\$ 18,625</u>	<u>\$ 21,258</u>
Refundable deposits	Jiangsu Yuyue	<u>\$ 6,663</u>	<u>\$ 6,986</u>	<u>\$ 7,056</u>
Other payables	Substantive related party	<u>\$ 1,685</u>	<u>\$ 448</u>	<u>\$ 2,181</u>

(III) Acquisition of property, plant and equipment					
	<u>Category/Name of related party</u>	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Proceeds from acquisition	Jiangsu Joyea	<u>\$ 67,976</u>	<u>\$ 304</u>	<u>\$ 74,299</u>	<u>\$ 8,267</u>

The Company and its subsidiaries have not purchased similar property, plant and equipment from non-related parties, so the transaction prices cannot be compared, and there is no significant difference in payment terms compared to general manufacturers.

(IV) Lease agreement					
	<u>Category/Name of related party</u>	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Acquisition of right-of-use assets	Jiangsu Yuyue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 184,540</u>
	<u>Presentation account</u>		<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Lease liabilities (including current and non-current)	Jiangsu Yuyue		<u>\$153,949</u>	<u>\$190,889</u>	<u>\$197,296</u>
	<u>Category/Name of related party</u>	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Interest expense	Jiangsu Yuyue	<u>\$ 1,552</u>	<u>\$ 2,002</u>	<u>\$ 5,107</u>	<u>\$ 3,082</u>

The subsidiary has leased a plant from Jiangsu Yuyue since October 2019. The lease period expires in December 2034. The rent is calculated based on the floor area (in square feet) and fixed lease payments are paid on a quarterly basis in accordance with the lease contract.

(V) Remuneration of key management personnel

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-term employee benefits	\$ 12,919	\$ 10,429	\$ 39,785	\$ 38,169
Post-employment benefits	162	178	540	499
	<u>\$ 13,081</u>	<u>\$ 10,607</u>	<u>\$ 40,325</u>	<u>\$ 38,668</u>

(VI) Other related party transactions

1. Other expenses

Category/Name of related party	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Substantive related party	<u>\$ 58</u>	<u>\$ 49</u>	<u>\$ 118</u>	<u>\$ 105</u>

These represent repair and related expenses paid by the subsidiaries.

2. Starting from March 2024, the Company's key management personnel, Shih An, has gradually cancelled their joint guarantees for some of the long-term bank borrowings of the Company and its subsidiaries.

XXX. Pledged assets

The Company and its subsidiaries provided the following assets as collateral for long-term borrowings and customs duty guarantee bonds:

	Book value		
	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 705,898	\$ -	\$ -
Unfinished construction and equipment to be inspected	825,305	-	-
Other financial assets	<u>2,136</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,533,339</u>	<u>\$ -</u>	<u>\$ -</u>

XXXI. Significant contingent liabilities and unrecognized contractual commitments

As of September 30, 2025, the Company and its subsidiaries have signed contracts for the purchase of property, plant and equipment with a total price of approximately NT\$2,021,740 thousand, of which NT\$989,934 thousand has not yet been recognized in the accounts.

XXXII. Significant information on assets and liabilities denominated in foreign currencies

The following information is summarized and expressed in foreign currencies other than the functional currencies of the Company and each entity. The exchange rates disclosed refer to the rates at which these foreign currencies are converted to the functional currency. Financial assets and liabilities denominated in foreign currencies with significant impact are as follows:

	Unit: Each foreign currency in thousands			
	Foreign currency	Exchange rate		Carrying amount
<u>September 30, 2025</u>				
Monetary item - foreign currency assets				
USD	\$ 14,133	30.445	(USD:NTD)	\$ 430,267
RMB	155,202	4.271	(RMB:NTD)	662,867
JPY	8,129	0.2058	(JPY:NTD)	1,673
Non-monetary items of assets denominated in foreign currencies				
Subsidiaries accounted for using the equity method				
USD	1,560	30.445	(USD:NTD)	47,485
RMB	322,748	4.271	(RMB:NTD)	1,378,458
Monetary item foreign currency liabilities				
USD	763	30.445	(USD:NTD)	23,217
USD	106	7.1055	(USD:CNY)	3,228
RMB	47,164	4.271	(RMB:NTD)	201,439
JPY	8,528	0.2058	(JPY:NTD)	1,755
<u>December 31, 2024</u>				
Monetary item - foreign currency assets				
USD	6,869	32.785	(USD:NTD)	225,193
RMB	50,996	4.478	(RMB:NTD)	228,361
JPY	4,469	0.2099	(JPY:NTD)	938
Non-monetary items of assets denominated in foreign currencies				
Subsidiaries accounted for using the equity method				
RMB	283,045	4.478	(RMB:NTD)	1,267,474
Monetary item foreign currency liabilities				
USD	798	32.785	(USD:NTD)	26,161
USD	45	7.1884	(USD:CNY)	1,451
RMB	121	4.478	(RMB:NTD)	543
JPY	2,101	0.2099	(JPY:NTD)	441
<u>September 30, 2024</u>				
Monetary item - foreign currency assets				
USD	7,418	31.650	(USD:NTD)	234,784
RMB	38,148	4.523	(RMB:NTD)	172,545
Non-monetary items of assets denominated in foreign currencies				
Subsidiaries accounted for using the equity method				
RMB	271,485	4.523	(RMB:NTD)	1,227,926

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
Monetary item foreign currency liabilities			
USD	\$ 641	31.650 (USD:NTD)	\$ 20,278
USD	45	7.0074 (USD:CNY)	1,429
RMB	128	4.523 (RMB:NTD)	578

Foreign exchange gains and losses for the Company and its subsidiaries for the three months ended September 30, 2025 and 2024, and the nine months ended September 30, 2025 and 2024 were gains of NT\$36,466 thousand, losses of NT\$474 thousand, losses of NT\$25,155 thousand, and gains of NT\$18,943 thousand, respectively. Due to the diverse functional currency types involved in foreign currency transactions, foreign exchange gains and losses cannot be categorized and disclosed by each major foreign currency.

XXXIII. Disclosures in notes

- (I) Significant transactions and (II) Information on investee enterprises
1. Loans to others: None.
 2. Endorsements/guarantees for others: None.
 3. Material holdings of marketable securities as of the period end (excluding investments in subsidiaries and associates): None.
 4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
 5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
 6. Information on investees: Please refer to Table 1.
 7. Business relationships and material transactions between the parent company and its subsidiaries, as well as among the subsidiaries: Please refer to Table 3.
- (III) Mainland China Investment Information
1. For information on invested companies in Mainland China, including company names, main businesses, paid-in capital, investment methods, inward/outward remittance of funds, shareholding percentages, profit/loss for the period, recognized investment gain/loss, carrying amount of investments as of the period end, repatriated investment income, and limits on investment in Mainland China, please refer to the attached Table 2.
 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:
 - (1) There were no purchases requiring disclosure of amounts, percentages, and ending balances of related payables.
 - (2) There were no sales requiring disclosure of amounts, percentages, and ending balances of related receivables.
 - (3) The amount of property transactions and the amount of the resulting gain or loss: None.
 - (4) The balance and purpose of endorsements/guarantees for bills: None.
 - (5) There were no financings requiring the disclosure of highest balance, ending balance, interest rate range, and total interest for the current period.

- (6) Other transactions with significant impacts on current period income or financial position, such as the rendering or receipt of services: Please refer to Table 3.

XXXIV. Department information

The information provided to the chief operating decision-maker for allocating resources and evaluating segment performance, with emphasis on each type of product or service delivered or provided. The operating segments of the Company and its subsidiaries shall be reported as follows:

- **VIZIONFOCUS**

The main business items are the manufacturing of medical equipment, machinery and equipment, optical instruments, precision instruments and international trading and other consulting services.

- **Jiangsu Vizionfocus Inc.**

The main business includes R&D, design and production of contact lenses, wholesale and import and export of similar products of the above products.

- **Others** - For the subsidiaries of the consolidated entity as the operating segment, please refer to the descriptions in Note 10.

(I) Segment revenues and operating results

The revenue and operating results of the Company and its subsidiaries are analyzed by reportable segment as follows:

	VIZIONFOCUS	Jiangsu Vizionfocus Inc.	Others	Adjustments and write-offs	Consolidated
January 1 to September 30, 2025					
Revenue from customers other than the parent company and subsidiaries	\$1,565,494	\$ 908,753	\$ 62,251	\$ -	\$2,536,498
Revenue from parent company and subsidiaries	<u>111,761</u>	<u>451</u>	<u>-</u>	<u>(112,212)</u>	<u>-</u>
Total revenue	<u>\$1,677,255</u>	<u>\$ 909,204</u>	<u>\$ 62,251</u>	<u>\$(112,212)</u>	<u>\$2,536,498</u>
Segment profit (loss)	\$ 495,808	\$ 229,861	\$ (13,559)	\$ 16,959	\$ 729,069
Interest revenue	9,023	4,157	417	-	13,597
Other income	20,990	11,228	1	(16,959)	15,260
Other gains and losses	(29,813)	(54)	4	-	(29,863)
Share of Profit (Loss) of Subsidiaries Accounted for Using the Equity Method	157,930	-	342,882	(500,812)	-
Finance Costs	<u>(14,865)</u>	<u>(5,107)</u>	<u>(49)</u>	<u>-</u>	<u>(20,021)</u>
Net income before tax	639,073	240,085	329,696	(500,812)	708,042
Income tax expense	<u>103,837</u>	<u>25,784</u>	<u>147</u>	<u>-</u>	<u>129,768</u>
Net income for the period	<u>\$ 535,236</u>	<u>\$ 214,301</u>	<u>\$ 329,549</u>	<u>\$(500,812)</u>	<u>\$ 578,274</u>
January 1 to September 30, 2024					
Revenue from customers other than the parent company and subsidiaries	\$1,330,054	\$ 910,194	\$ -	\$ -	\$2,240,248
Revenue from parent company and subsidiaries	<u>60,370</u>	<u>1</u>	<u>-</u>	<u>(60,371)</u>	<u>-</u>
Total revenue	<u>\$1,390,424</u>	<u>\$ 910,195</u>	<u>\$ -</u>	<u>\$(60,371)</u>	<u>\$2,240,248</u>

	VIZIONFOCUS	Jiangsu Vizionfocus Inc.	Others	Adjustments and write-offs	Consolidated
Departmental interest	\$ 387,265	\$ 261,595	\$ -	\$ 17,128	\$ 665,988
Interest revenue	8,511	4,686	-	-	13,197
Other income	24,479	3,483	-	(17,128)	10,834
Other gains and losses	18,766	2,306	-	-	21,072
Share of Profit (Loss) of Subsidiaries Accounted for Using the Equity Method	185,589	-	371,178	(556,767)	-
Finance Costs	<u>(18,679)</u>	<u>(3,082)</u>	<u>-</u>	<u>-</u>	<u>(21,761)</u>
Net income before tax	605,931	268,988	371,178	(556,767)	689,330
Income tax expense	<u>105,611</u>	<u>37,002</u>	<u>-</u>	<u>-</u>	<u>142,613</u>
Net income for the period	<u>\$ 500,320</u>	<u>\$ 231,986</u>	<u>\$ 371,178</u>	<u>\$ (556,767)</u>	<u>\$ 546,717</u>

Departmental profit or loss refers to the profit earned by each department. This measured amount is provided to the chief operating decision-maker for allocating resources to segments and evaluating their performance.

(II) Departmental total assets and liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Segment assets</u>			
VIZIONFOCUS	\$ 5,719,902	\$ 5,190,286	\$ 5,016,205
Jiangsu Vizionfocus Inc.	2,164,977	2,049,343	2,036,439
Others	2,896,441	2,535,599	2,455,852
Adjustments and write-offs	<u>(4,246,471)</u>	<u>(3,835,517)</u>	<u>(3,718,576)</u>
Consolidated total assets	<u>\$ 6,534,849</u>	<u>\$ 5,939,711</u>	<u>\$ 5,789,920</u>
<u>Departmental liabilities</u>			
VIZIONFOCUS	\$ 2,002,046	\$ 1,657,551	\$ 1,649,454
Jiangsu Vizionfocus Inc.	441,935	465,033	501,564
Others	30,909	600	-
Adjustments and write-offs	<u>(39,017)</u>	<u>(33,070)</u>	<u>(34,824)</u>
Consolidated total liabilities	<u>\$ 2,435,873</u>	<u>\$ 2,090,114</u>	<u>\$ 2,116,194</u>

VIZIONFOCUS INC. and subsidiaries
Information on investees
January 1 to September 30, 2025

Table 1

Unit: NTD Thousand
(unless otherwise stated)

Name of Investment Company	Name of investee	Location of the area	Main business items	Initial investment amount		Held at end of period			Profit or loss for the current period of investee companies (Note)	Investment profit or loss recognized during the current period (Note)	Notes
				End of current period	End of last year	Number of shares	Percentage (%)	Carrying amount			
The Company	Green Wealth Investments Limited (Samoa)	Samoa	International investment	\$ 1,097,607	\$ 1,097,607	35,692,609	100	\$ 1,378,458	\$ 171,441	\$ 171,441	
The Company	Star Focus Inc.	Taiwan	Medical device sales	24,400	100	2,440,000	40.67	24,619	588	239	
The Company	Optical Connection Technology Inc.	USA	Medical device sales	64,608	-	2,000,000	98.77	47,485	(13,921)	(13,750)	
Green Wealth Investments Limited (Samoa)	Clear Precise Investments Limited (Samoa)	Samoa	International investment	1,097,607	1,097,607	35,692,609	100	1,378,458	171,441	171,441	

Note: All have been eliminated when preparing the consolidated financial statements.

VIZIONFOCUS INC. and subsidiaries
Mainland China Investment Information
January 1 to September 30, 2025

Table 2

Unit: NTD Thousand
(unless otherwise stated)

Name of investee company in Mainland China	Main business items	Paid-up capital	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of current period	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the period	Net income of investees for the period	The Company's shareholding ratio in direct or indirect investments (%)	Investment gains recognized in current period	Book value of investment at the end of the period	Repatriated investment income up to the current period	Notes
					Remitted	Recovered							
Jiangsu Vizionfocus Inc.	R&D, design, and production of contact lens; wholesale and import and export of similar products of the above-mentioned products.	\$ 684,214	(2)	\$1,097,607	\$ -	\$ -	\$1,097,607	\$ 214,301	80	\$ 171,441	\$1,378,434	\$ -	Notes 2 & 3

Name of Investment Company	The accumulated amount remitted from Taiwan to invest in mainland China as of the end of the current period:	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	Limit of the Company's investment in Mainland China (Note 4)
Jiangsu Vizionfocus Inc.	\$ 1,097,607	\$ 1,184,248	\$ -

Note 1: Investment methods are divided into the following three types. It is sufficient to indicate the type of investment:

- (1) Direct investment in Mainland China.
- (2) Reinvest in Mainland China through a company in a third region.
- (3) Any other means.

Note 2: All have been eliminated when preparing the consolidated financial statements.

Note 3: Recognized and disclosed based on the Company's reviewed financial statements by its certified public accountants.

Note 4: This is in accordance with Point 3 of the "Principles for Reviewing Investments or Technical Cooperation in Mainland China," revised and issued on August 29, 2008, under Order Jing-Shen-Zi No. 09704604680. Our company has obtained a certificate from the Industrial Development Bureau of the Ministry of Economic Affairs, confirming compliance with the operational scope required for headquarters, thereby exempting it from any upper limits on investments in Mainland China.

VIZIONFOCUS INC. and subsidiaries
 Business relationships and material transactions between the parent company and its subsidiaries
 January 1 to September 30, 2025

Table 3

Unit: NTD Thousand
 (unless otherwise stated)

Serial number	Trader's Name	Trading counterpart	Relationship with the counterpart	Transactions with each other			As a percentage of consolidated revenue or total assets (%)
				Subject Matters	Amount	Trading terms and conditions	
0	The Company	Jiangsu Vizionfocus Inc.	Subsidiary	Service revenue	\$ 50,049	As stipulated in the contract	1.97
0	The Company	Jiangsu Vizionfocus Inc.	Subsidiary	Other operating revenue	10,105	As stipulated in the contract	0.40
0	The Company	Jiangsu Vizionfocus Inc.	Subsidiary	Royalty income	16,959	As stipulated in the contract	0.67
0	The Company	Jiangsu Vizionfocus Inc.	Subsidiary	Accounts receivable	19,722	As stipulated in the contract	0.30
0	The Company	Star Focus Inc.	Subsidiary	Sales revenue	39,613	As stipulated in the contract	1.56
0	The Company	Star Focus Inc.	Subsidiary	Accounts receivable	12,025	As stipulated in the contract	0.18
0	The Company	Optical Connection Technology Inc.	Subsidiary	Sales revenue	11,870	As stipulated in the contract	0.47