

## **Hu Lane Associate Inc. and Subsidiaries**

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

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Hu Lane Associate Inc.

### **Introduction**

We have reviewed the accompanying (consolidated) balance sheets of Hu Lane Associate Inc. and its subsidiaries (collectively, the "Group") as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "(consolidated) financial statements"). Management is responsible for the preparation and fair presentation of the (consolidated) financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As disclosed in Notes 10 and 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and Investments accounted for using the equity method were not reviewed. As of September 30, 2025 and 2024, combined total assets of these non-significant subsidiaries were NT\$1,833,714 thousand and NT\$1,749,980 thousand, respectively, representing and 13%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$549,696 thousand and NT\$401,693 thousand, respectively, representing 9% and 6%, respectively, of the consolidated total liabilities; for the nine months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income of these subsidiaries were NT\$50,741 thousand and NT\$223,200 thousand, respectively, representing 11% and 19%, respectively, of the consolidated total comprehensive income; for the three months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income of these subsidiaries were NT\$63,642 thousand and NT\$80,111 thousand, respectively, representing 13% and 20%, respectively, of the consolidated total comprehensive income.

As of September 30, 2025 and 2024, the aforementioned investments accounted for using the equity method were NT\$31,851 thousand and NT\$22,281 thousand respectively; for the nine months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income of these subsidiaries were NT\$13,873 thousand and NT\$8,498 thousand, respectively, of the consolidated total comprehensive income; for the three months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income of these subsidiaries were NT\$7,002 thousand and NT\$4,621 thousand, respectively, of the consolidated total comprehensive income.

### **Qualified Conclusion**

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the some non-significant subsidiaries and Investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months 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” 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 Jiun-hung Shih and Shiuh-Ran Cheng.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 11, 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.*

# HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 1,077,000	7	\$ 1,128,654	8	\$ 1,122,802	9
Financial assets at fair value through profit or loss - current (Notes 7 and 24)	228,309	2	167,336	1	197,932	1
Notes receivable (Notes 8, 24 and 26)	1,863,670	13	1,819,345	13	1,679,986	13
Trade receivables from unrelated parties (Note 8)	2,370,404	16	2,774,449	20	2,162,132	17
Trade receivables from related parties (Notes 8 and 25)	126,064	1	144,551	1	108,478	1
Other receivables	20,093	-	26,907	-	35,695	-
Other receivables from related parties (Note 25)	-	-	6,557	-	6,330	-
Current tax assets (Note 21)	95,063	1	43,956	-	50,302	-
Inventories (Note 9)	2,519,009	17	2,172,565	15	2,017,218	15
Other current assets (Note 26)	442,508	3	341,213	3	349,179	3
Total current assets	8,742,120	60	8,625,533	61	7,730,054	59
<b>NON-CURRENT ASSETS</b>						
Investments accounted for using the equity method (Note 11)	31,851	-	26,270	-	22,281	-
Property, plant and equipment (Notes 12 and 26)	5,302,402	37	5,018,337	36	4,861,541	37
Right-of-use assets (Notes 13 and 26)	134,410	1	100,426	1	90,690	1
Investment properties	2,479	-	2,482	-	2,482	-
Other intangible assets	51,914	-	58,625	-	53,506	1
Deferred tax assets	19,330	-	50,060	-	36,648	-
Other non-current assets	287,427	2	236,758	2	255,889	2
Total non-current assets	5,829,813	40	5,492,958	39	5,323,037	41
<b>TOTAL</b>	<b>\$ 14,571,933</b>	<b>100</b>	<b>\$ 14,118,491</b>	<b>100</b>	<b>\$ 13,053,091</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Notes 14, 23 and 26)	\$ 2,776,338	19	\$ 2,626,439	19	\$ 1,900,959	15
Notes payable	8,632	-	11,365	-	16,273	-
Trade payables to unrelated parties	1,611,254	11	1,549,388	11	1,281,493	10
Other payables to unrelated parties (Notes 16 and 24)	1,441,327	10	800,569	6	1,190,794	9
Current tax liabilities	46,905	-	226,158	1	66,358	-
Finance lease payables - current (Notes 13 and 23)	47,715	-	22,577	-	18,285	-
Other current liabilities	53,710	1	66,931	-	94,851	1
Total current liabilities	5,985,881	41	5,303,427	37	4,569,013	35
<b>NON-CURRENT LIABILITIES</b>						
Long-term borrowings (Notes 14, 23 and 26)	5,935	-	-	-	-	-
Bonds payable (Notes 15, 23 and 24)	-	-	1,088,686	8	1,330,883	10
Deferred tax liabilities	230,461	2	247,746	2	254,003	2
Finance lease payables - non-current (Notes 13 and 23)	32,425	-	25,474	-	17,625	-
Net defined benefit liabilities - non-current (Notes 4 and 17)	17,272	-	26,718	-	33,062	1
Other non-current liabilities	9,346	-	902	-	7,287	-
Total non-current liabilities	295,439	2	1,389,526	10	1,642,860	13
Total liabilities	6,281,320	43	6,692,953	47	6,211,873	48
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 18)</b>						
Share capital						
Ordinary shares	1,133,483	8	1,027,390	7	1,021,476	8
Bond conversion entitlement certificates	-	-	19,782	-	5,914	-
Stock dividends to be distributed	56,674	-	-	-	-	-
Total share capital	1,190,157	8	1,047,172	7	1,027,390	8
Capital surplus	2,171,757	15	1,284,962	9	1,057,071	8
Retained earnings						
Legal reserve	1,128,116	8	996,561	7	996,561	8
Special reserve	130,113	1	301,406	2	301,406	2
Unappropriated earnings	3,964,200	27	3,817,405	27	3,433,186	26
Total retained earnings	5,222,429	36	5,115,372	36	4,731,153	36
Other equity	(341,944)	(2)	(70,192)	-	(24,319)	-
Total equity attributable to owners of the Company	8,242,399	57	7,377,314	52	6,791,295	52
<b>NON-CONTROLLING INTERESTS</b>	48,214	-	48,224	1	49,923	-
Total equity	8,290,613	57	7,425,538	53	6,841,218	52
<b>TOTAL</b>	<b>\$ 14,571,933</b>	<b>100</b>	<b>\$ 14,118,491</b>	<b>100</b>	<b>\$ 13,053,091</b>	<b>100</b>

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

(With Deloitte & Touche review report dated November 11, 2025)

## HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 19 and 25)	\$ 2,326,322	100	\$ 2,144,864	100	\$ 6,821,275	100	\$ 6,028,089	100
OPERATING COSTS (Notes 9 and 20)	<u>1,637,002</u>	<u>70</u>	<u>1,458,879</u>	<u>68</u>	<u>4,668,104</u>	<u>69</u>	<u>4,040,973</u>	<u>67</u>
GROSS PROFIT	<u>689,320</u>	<u>30</u>	<u>685,985</u>	<u>32</u>	<u>2,153,171</u>	<u>31</u>	<u>1,987,116</u>	<u>33</u>
OPERATING EXPENSES (Notes 8, 20 and 25)								
Selling and marketing expenses	100,960	4	99,893	5	298,865	4	274,327	4
General and administrative expenses	132,157	6	119,188	5	375,324	6	342,564	6
Research and development expenses	130,719	6	121,322	6	373,027	5	343,036	6
Expected credit loss	<u>2,937</u>	<u>-</u>	<u>6,988</u>	<u>-</u>	<u>2,515</u>	<u>-</u>	<u>19,945</u>	<u>-</u>
Total operating expenses	<u>366,773</u>	<u>16</u>	<u>347,391</u>	<u>16</u>	<u>1,049,731</u>	<u>15</u>	<u>979,872</u>	<u>16</u>
PROFIT FROM OPERATIONS	<u>322,547</u>	<u>14</u>	<u>338,594</u>	<u>16</u>	<u>1,103,440</u>	<u>16</u>	<u>1,007,244</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 20)	4,041	-	5,040	-	10,429	-	14,398	-
Other income (Notes 20 and 25)	20,451	1	20,951	1	55,097	1	90,616	1
Other gains and losses (Note 20)	49,761	2	58,117	3	(234,325)	(3)	152,708	3
Finance costs	(18,180)	(1)	(18,584)	(1)	(48,482)	(1)	(49,306)	(1)
Share of profit or loss of associates and joint ventures	<u>5,050</u>	<u>-</u>	<u>4,296</u>	<u>-</u>	<u>14,843</u>	<u>-</u>	<u>7,799</u>	<u>-</u>
Total non-operating income and expenses	<u>61,123</u>	<u>2</u>	<u>69,820</u>	<u>3</u>	<u>(202,438)</u>	<u>(3)</u>	<u>216,215</u>	<u>3</u>
PROFIT BEFORE INCOME TAX	383,670	16	408,414	19	901,002	13	1,223,459	20
INCOME TAX EXPENSE (Notes 4 and 21)	<u>77,865</u>	<u>3</u>	<u>94,899</u>	<u>5</u>	<u>165,562</u>	<u>2</u>	<u>287,457</u>	<u>5</u>
NET PROFIT FOR THE PERIOD	<u>305,805</u>	<u>13</u>	<u>313,515</u>	<u>14</u>	<u>735,440</u>	<u>11</u>	<u>936,002</u>	<u>15</u>

(Continued)

## HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (Note 18)								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translating foreign operations	\$ 187,976	8	\$ 77,670	4	\$ (275,759)	(4)	\$ 218,717	4
Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	<u>1,952</u>	-	<u>325</u>	-	<u>(970)</u>	-	<u>699</u>	-
Other comprehensive income for the period, net of income tax	<u>189,928</u>	8	<u>77,995</u>	4	<u>(276,729)</u>	(4)	<u>219,416</u>	4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 495,733</u>	<u>21</u>	<u>\$ 391,510</u>	<u>18</u>	<u>\$ 458,711</u>	<u>7</u>	<u>\$ 1,155,418</u>	<u>19</u>
NET PROFIT								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 304,662	13	\$ 311,173	15	\$ 730,473	11	\$ 931,334	16
Non-controlling interests	<u>1,143</u>	-	<u>2,342</u>	-	<u>4,967</u>	-	<u>4,668</u>	-
	<u>\$ 305,805</u>	<u>13</u>	<u>\$ 313,515</u>	<u>15</u>	<u>\$ 735,440</u>	<u>11</u>	<u>\$ 936,002</u>	<u>16</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 494,608	21	\$ 386,950	18	\$ 458,721	7	\$ 1,148,505	19
Non-controlling interests	<u>1,125</u>	-	<u>4,560</u>	-	<u>(10)</u>	-	<u>6,913</u>	-
	<u>\$ 495,733</u>	<u>21</u>	<u>\$ 391,510</u>	<u>18</u>	<u>\$ 458,711</u>	<u>7</u>	<u>\$ 1,155,418</u>	<u>19</u>
EARNINGS PER SHARE (Note 22)								
Basic	<u>\$ 2.54</u>		<u>\$ 2.90</u>		<u>\$ 6.27</u>		<u>\$ 8.68</u>	
Diluted	<u>\$ 2.53</u>		<u>\$ 2.66</u>		<u>\$ 5.98</u>		<u>\$ 7.97</u>	

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

(With Deloitte & Touche review report dated November 11, 2025)

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## HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company										
	Share Capital			Retained Earnings				Other Equity	Total	Non-controlling Interests	Total Equity
	Ordinary Shares	Certificate of Entitlement to New Shares from Convertible Bonds	Stock Dividends to Be Distributed	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation Foreign Operations			
BALANCE ON JANUARY 1, 2024	\$ 996,554	\$ -	\$ -	\$ 1,088,799	\$ 996,547	\$ 201,083	\$ 3,025,729	\$ (241,490)	\$ 6,067,222	\$ 43,010	\$ 6,110,232
Appropriation of 2023 earnings											
Legal reserve	-	-	-	-	14	-	(14)	-	-	-	-
Special reserve	-	-	-	-	-	100,323	(100,323)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(398,625)	-	(398,625)	-	(398,625)
Share dividends	24,915	-	-	-	-	-	(24,915)	-	-	-	-
Convertible bonds converted to ordinary shares	7	5,914	-	67,928	-	-	-	-	73,849	-	73,849
Cash dividends from capital surplus	-	-	-	(99,656)	-	-	-	-	(99,656)	-	(99,656)
Net profit for the nine months ended September 30, 2024	-	-	-	-	-	-	931,334	-	931,334	4,668	936,002
Other comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	-	-	217,171	217,171	2,245	219,416
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	-	931,334	217,171	1,148,505	6,913	1,155,418
BALANCE ON SEPTEMBER 30, 2024	<u>\$ 1,021,476</u>	<u>\$ 5,914</u>	<u>\$ -</u>	<u>\$ 1,057,071</u>	<u>\$ 996,561</u>	<u>\$ 301,406</u>	<u>\$ 3,433,186</u>	<u>\$ (24,319)</u>	<u>\$ 6,791,295</u>	<u>\$ 49,923</u>	<u>\$ 6,841,218</u>
BALANCE ON JANUARY 1, 2025	\$ 1,027,390	\$ 19,782	\$ -	\$ 1,284,962	\$ 996,561	\$ 301,406	\$ 3,817,405	\$ (70,192)	\$ 7,377,314	\$ 48,224	\$ 7,425,538
Appropriation of 2024 earnings											
Legal reserve	-	-	-	-	131,555	-	(131,555)	-	-	-	-
Reversal of special reserve	-	-	-	-	-	(171,293)	171,293	-	-	-	-
Cash dividends	-	-	-	-	-	-	(566,742)	-	(566,742)	-	(566,742)
Share dividends	-	-	56,674	-	-	-	(56,674)	-	-	-	-
Convertible bonds converted to ordinary shares	-	86,311	-	1,000,143	-	-	-	-	1,086,454	-	1,086,454
Certificate of entitlement to new shares from convertible bonds	106,093	(106,093)	-	-	-	-	-	-	-	-	-
Cash dividends from capital surplus	-	-	-	(113,348)	-	-	-	-	(113,348)	-	(113,348)
Net profit for the nine months ended September 30, 2025	-	-	-	-	-	-	730,473	-	730,473	4,967	735,440
Other comprehensive income for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	-	-	(271,752)	(271,752)	(4,977)	(276,729)
Total comprehensive income for the nine months ended September 30, 2025	-	-	-	-	-	-	730,473	(271,752)	458,721	(10)	458,711
BALANCE ON SEPTEMBER 30, 2025	<u>\$ 1,133,483</u>	<u>\$ -</u>	<u>\$ 56,674</u>	<u>\$ 2,171,757</u>	<u>\$ 1,128,116</u>	<u>\$ 130,113</u>	<u>\$ 3,964,200</u>	<u>\$ (341,944)</u>	<u>\$ 8,242,399</u>	<u>\$ 48,214</u>	<u>\$ 8,290,613</u>

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

(With Deloitte & Touche review report dated November 11, 2025)

# HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 901,002	\$ 1,223,459
Adjustments for:		
Depreciation expenses	454,270	384,190
Amortization expenses	51,805	42,092
Expected credit loss recognized on trade receivables	2,515	19,945
Net loss (gain) on fair value change of financial assets and liabilities at fair value through profit or loss	46,728	(73,942)
Finance costs	48,482	49,306
Interest income	(10,429)	(14,398)
Dividend income	(3,147)	(2,359)
Share of profit of associates and joint ventures	(14,843)	(7,799)
Loss on disposal of property, plant and equipment	5,037	11,380
Write-down (reversed) of inventories	(53,207)	12,658
Gains on bond redemption	(45)	-
Gain on lease modifications	(93)	(1,508)
Changes in operating assets and liabilities		
Notes receivable	(44,325)	(392,247)
Trade receivables from unrelated parties	403,379	(53,532)
Trade receivables from related parties	18,487	(16,395)
Other receivables from unrelated parties	6,654	(6,250)
Other receivables from related parties	6,557	(6,330)
Inventories	(279,278)	(310,826)
Other current assets	(101,295)	(109,820)
Other non-current assets	(71,914)	119,279
Notes payable	(2,733)	(11,537)
Trade payables to unrelated parties	61,866	182,225
Other payables to unrelated parties	(71,084)	34,956
Other current liabilities	(13,221)	(32,462)
Net defined benefit liabilities	(9,446)	(14)
Other non-current liabilities	3	189
Cash generated from operations	1,331,725	1,040,260
Interest received	10,589	14,398
Interest paid	(47,141)	(28,767)
Income tax paid	(382,582)	(362,738)
Net cash generated from operating activities	<u>912,591</u>	<u>663,153</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through profit or loss	(115,353)	(43,452)
Proceeds from disposal of financial assets at fair value through profit or loss	6,899	16,075
Payments for property, plant and equipment	(965,860)	(885,950)

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# HU LANE ASSOCIATE INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
Proceeds from disposal of property, plant and equipment	\$ 89,944	\$ 56,912
Increase in refundable deposits	-	(2,816)
Decrease in refundable deposits	563	-
Payments for intangible assets	(12,383)	(11,858)
Dividends received	<u>11,439</u>	<u>2,359</u>
Net cash used in investing activities	<u>(984,751)</u>	<u>(868,730)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	149,899	266,892
Proceeds from long-term borrowings	5,935	-
Repayments of corporate bonds	(5,600)	-
Proceeds from guarantee deposits received	8,441	35
Repayment of the principal portion of lease liabilities	<u>(42,241)</u>	<u>(17,293)</u>
Net cash generated from financing activities	<u>116,434</u>	<u>249,634</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(95,928)</u>	<u>82,264</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(51,654)	126,321
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,128,654</u>	<u>996,481</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,077,000</u>	<u>\$ 1,122,802</u>

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

(With Deloitte & Touche review report dated November 11, 2025)

(Concluded)

# HU LANE ASSOCIATE INC. AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

#### **Organization and Operations of the Parent Company**

Hu Lane Associate Inc. (the “Company” or Hu Lane Associate) was incorporated in July 1977 as Hu Lane Enterprise Co., Ltd. and renamed as Hu Lane Industry Co., Ltd. on January 29, 2001, and later renamed again as Hu Lane Associate Inc. in 2003. Hu Lane Associate established the Hong Kong Branch in October 2001. Hu Lane Associate is mainly engaged in the manufacturing and sale of terminal devices, terminal crimping, industrial rubber and plastic products.

Hu Lane Associate’s shares have been listed on the Taipei Exchange since November 26, 2003. Hu Lane Associate’s stockholders approved the planned merger with Jie Yun Industry Co., Ltd. on May 28, 2004 with the effective merger date on August 31, 2004, and Hu Lane Associate was the surviving entity. Hu Lane Associate’s board of directors approved the planned merger with I-hung Steel Co., Ltd. on April 10, 2014 with the effective merger date on May 12, 2014, and Hu Lane Associate was the surviving entity. Hu Lane Associate’s board of directors approved the planned merger with its 100%-owned subsidiary, Shang Ho Industry Co., Ltd. in May 2023 with the effective merger date on July 1, 2023, and Hu Lane Associate was the surviving entity.

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

#### **Organization and Operations of the Subsidiaries**

Evervalue Investments Limited (Evervalue), a company established on March 12, 2001, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in investment.

Telford Investments Limited (Telford), a company established on March 8, 2001, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in investment. The board of directors resolved in December 20, 2024 and canceled in June 23, 2025.

Hu Lane Electronics (Vietnam) Limited (HuLane Vietnam), a company established in November 2009, is a 100%-owned subsidiary of Hu Lane Associate. It is mainly engaged in manufacturing terminals and molding.

Hulane Electronics (Nanjing) Limited (Hulane Nanjing), a company established in January 2004, is a 100%-owned subsidiary of Evervalue. It is mainly engaged in manufacturing terminals and molding.

Fortune Master Development Limited (Fortune Master), a company established on March 5, 2010, is a 100%-owned subsidiary of Evervalue. It is mainly engaged in trading and investment.

Dongguan Hulane Electronics Technology (Dongguan Hulane), a company established in June 2011, is a 100%-owned subsidiary of Fortune Master. It is mainly engaged in the manufacturing of terminals and molding.

Dongguan Hulane Puquang Trading Limited (Dongguan Puquang), a company established in May 2012, is a 100%-owned subsidiary of Fortune Master. It is mainly engaged in sales of vehicle components and plastic materials.

PT Hulane Tech Manufacturing’s 80% equity was acquired by the Company in December 2017. The purpose of this acquisition is to develop area integration for the long-term expansion and operations of the Company. PT Hulane Tech Manufacturing applied for capital increase in August 2020 and Evervalue Investments Limited participated in the capital increase. After the capital increase, the Company and Evervalue Investments Limited held 32% and 48% shareholding of PT Hulane Tech Manufacturing, respectively.

PT Hulane Tech Manufacturing applied for capital increase in June 2023 and Evervalue Investments Limited participated in the capital increase. After the capital increase, the Company and Evervalue Investments Limited held 12% and 72% shareholding of PT Hulane Tech Manufacturing, respectively.

Eagle Good Limited (Eagle Good), a company established in June 2022, is a 100%-owned subsidiary of the Company. It is mainly engaged in reinvestment.

Jiaxing Shangho Electronic Technology Co., Ltd. (Jiaxing Shangho), a company established in May 2012, is a 100%-owned subsidiary of Eagle Good. It is mainly engaged in the manufacturing of harnesses.

HuLane Associate Inc. Europe S.r.l., a company established on June 2023, is a 90%-owned subsidiary of the Company. It is mainly engaged in the sales of various auto parts, electrical equipment and parts and plastics.

## 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 11, 2025.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

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

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

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

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

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

Note 2: The Financial Supervisory Commission announced on September 25, 2025, that Taiwanese enterprises shall apply IFRS 18 effective January 1, 2028. Enterprises may also elect to adopt IFRS 18 early upon the Commission’s approval.

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

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

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

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

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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

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

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

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

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

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

See Note 10, Table 7 and Table 8 for detailed information on subsidiaries (including percentage of ownership and main businesses).

##### d. Other material accounting policies

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

##### 1) Retirement benefits

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

2) Income tax expense

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

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

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

When developing material accounting estimates, the Group considers the possible impact of climate change and related government policies and regulations, inflation and interest rate fluctuations, volatility in foreign currency markets, US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

**6. CASH AND CASH EQUIVALENTS**

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Cash on hand	\$ 2,275	\$ 1,853	\$ 2,397
Checking accounts and demand deposits	943,812	854,685	808,802
Cash equivalents			
Time deposits with original maturities within three months	<u>130,913</u>	<u>272,116</u>	<u>311,603</u>
	<u>\$ 1,077,000</u>	<u>\$ 1,128,654</u>	<u>\$ 1,122,802</u>

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

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Redemption rights and put options (Note 15)	\$ -	\$ 1,504	\$ 2,273
Non-derivative financial assets			
Domestic listed shares	119,701	158,620	188,469
Mutual funds	<u>108,608</u>	<u>7,212</u>	<u>7,190</u>
	<u>\$ 228,309</u>	<u>\$ 167,336</u>	<u>\$ 197,932</u>

## 8. NOTES RECEIVABLE AND TRADE RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
Notes receivable - operating	<u>\$ 1,863,670</u>	<u>\$ 1,819,345</u>	<u>\$ 1,679,986</u>
<u>Trade receivables from unrelated parties</u>			
Trade receivables	\$ 2,408,881	\$ 2,814,306	\$ 2,208,223
Less: Allowance for impairment loss	<u>(38,477)</u>	<u>(39,857)</u>	<u>(46,091)</u>
	<u>\$ 2,370,404</u>	<u>\$ 2,774,449</u>	<u>\$ 2,162,132</u>
<u>Trade receivables from related parties</u>			
Trade receivables	\$ 126,132	\$ 144,641	\$ 108,565
Less: Allowance for impairment loss	<u>(68)</u>	<u>(90)</u>	<u>(87)</u>
	<u>\$ 126,064</u>	<u>\$ 144,551</u>	<u>\$ 108,478</u>

Refer to Note 24 and 26 for details of the factoring agreements for note receivables.

The average credit period of sales of goods was 90 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with reputable entities, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the executive vice president, internal audit department and accounting department annually.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position at the reporting date. As the Group's historical credit loss experience show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is further distinguished according to the Group's different customer base.

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

### September 30, 2025

	Not Past Due	1 to 90 Days	91 to 180 Days	181 to 270 Days	Over 271 Days	Total
Expected credit loss rate	0.02%-2.92%	0.01%-10.02%	2.77%-23.16%	22.17%-57.82%	100%	
Gross carrying amount	\$ 2,039,724	\$ 447,925	\$ 17,130	\$ 874	\$ 29,360	\$ 2,535,013
Loss allowance (Lifetime ECLs)	<u>(3,564)</u>	<u>(2,835)</u>	<u>(2,335)</u>	<u>(451)</u>	<u>(29,360)</u>	<u>(38,545)</u>
Amortized cost	<u>\$ 2,036,160</u>	<u>\$ 445,090</u>	<u>\$ 14,795</u>	<u>\$ 423</u>	<u>\$ -</u>	<u>\$ 2,496,468</u>

December 31, 2024

	<b>Not Past Due</b>	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 270 Days</b>	<b>Over 271 Days</b>	<b>Total</b>
Expected credit loss rate	0.01%-2.53%	0.03%-8.68%	2.08%-16.91%	23.36%-56.15%	100%	
Gross carrying amount	\$ 2,247,790	\$ 662,889	\$ 14,800	\$ 4,998	\$ 28,470	\$ 2,958,947
Loss allowance (Lifetime ECLs)	<u>(4,639)</u>	<u>(2,161)</u>	<u>(1,932)</u>	<u>(2,745)</u>	<u>(28,470)</u>	<u>(39,947)</u>
Amortized cost	<u>\$ 2,243,151</u>	<u>\$ 660,728</u>	<u>\$ 12,868</u>	<u>\$ 2,253</u>	<u>\$ -</u>	<u>\$ 2,919,000</u>

September 30, 2024

	<b>Not Past Due</b>	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 270 Days</b>	<b>Over 271 Days</b>	<b>Total</b>
Expected credit loss rate	0.09%-2.63%	0.26%-8.44%	4.09%-19.36%	38.01%-53.02%	100%	
Gross carrying amount	\$ 1,847,617	\$ 410,641	\$ 12,586	\$ 17,242	\$ 28,702	\$ 2,316,788
Loss allowance (Lifetime ECLs)	<u>(3,991)</u>	<u>(3,412)</u>	<u>(1,417)</u>	<u>(8,656)</u>	<u>(28,702)</u>	<u>(46,178)</u>
Amortized cost	<u>\$ 1,843,626</u>	<u>\$ 407,229</u>	<u>\$ 11,169</u>	<u>\$ 8,586</u>	<u>\$ -</u>	<u>\$ 2,270,610</u>

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

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 39,947	\$ 25,287
Impairment loss recognized	2,515	19,945
Amounts written off	(2,068)	(314)
Foreign exchange gains and losses	<u>(1,849)</u>	<u>1,260</u>
Balance at September 30	<u>\$ 38,545</u>	<u>\$ 46,178</u>

**9. INVENTORIES**

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Finished goods	\$ 619,170	\$ 516,098	\$ 475,239
Work in progress	320,816	269,651	281,304
Raw materials and supplies	510,798	493,824	434,480
Merchandise	<u>1,068,225</u>	<u>892,992</u>	<u>826,195</u>
	<u>\$ 2,519,009</u>	<u>\$ 2,172,565</u>	<u>\$ 2,017,218</u>

The cost of inventories recognized as cost of goods sold for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 were \$1,637,002 thousand, \$1,458,879 thousand, \$4,668,104 thousand and \$4,040,973 thousand, respectively. The cost of goods sold included (loss) reversal of inventory write-downs amounted to \$(4,729) thousand, \$(47,876) thousand, \$53,207 thousand and \$(12,658) thousand, respectively. Inventory write-downs were reversed as a result of increased selling prices in certain markets.

## 10. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		
			September 30, 2025	December 31, 2024	September 30, 2024
Hu Lane Associate	Telford (Note 1)	Investment	-	100	100
	Evervalue (Note 2)	Investment	100	100	100
	Hu Lane Vietnam	Manufacture of plastic connectors and molds	100	100	100
	PT Hulane Tech Manufacturing (Note 2)	Manufacture of plastic connectors and molds	12	12	12
	Eagle Good	Investment	100	100	100
Evervalue	HuLane Associate Inc. Europe S.r.l.	Sales of vehicle components and plastic materials	90	90	90
	Hulane Nanjing	Manufacture of plastic connectors and molds	100	100	100
	Fortune Master	Trading and investment	100	100	100
	PT Hulane Tech Manufacturing	Manufacture of plastic connectors and molds	72	72	72
Fortune Master	Dongguan Hulane	Manufacture of plastic connectors and molds	100	100	100
	Dongguan Puguang	Sales of vehicle components and plastic materials	100	100	100
Eagle Good	Jiaxing Shangho	Manufacture of plastic connectors and molds	100	100	100

Note 1: Telford Investments Limited the board of directors resolved in December 20, 2024 and canceled in June 23, 2025.

Note 2: The company to integrate the resources and to enhance operation synergy of the company, the board of directors resolved in August 7, 2025. The company intends to acquire a 71.91% equity interest in PT. HULANE TECH MANU- FACTURING held by Evervalue Investments Limited Investment Company. Upon completion of the equity transfer transaction of PT. HULANE TECH MANU- FACTURING, the company will hold a total of 84.22% equity interest in PT. HULANE TECH MANU- FACTURING.

b. Subsidiaries excluded from the consolidated financial statements: None.

## 11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2025	December 31, 2024	September 30, 2024
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	<u>\$ 31,851</u>	<u>\$ 26,270</u>	<u>\$ 22,281</u>

The calculation is based on the unreviewed financial statements of Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd. However, the management considers that the unreviewed financial statements of the above investees do not have material impacts.

## 12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery Equipment	Transportation Equipment	Furniture and Fixtures	Other Equipment	Prepayments for Equipment and Property under Construction	Total
<b>Cost</b>								
Balance at January 1, 2025	\$ 1,062,617	\$ 1,636,130	\$ 4,116,156	\$ 26,765	\$ 128,382	\$ 88,176	\$ 469,079	\$ 7,527,305
Additions	3,213	26,678	482,454	4,970	15,192	24,215	443,715	1,000,437
Disposals	-	(5,941)	(372,698)	(132)	(10,052)	(12,380)	(29,009)	(430,212)
Effect of foreign currency exchange differences	(5,459)	(55,708)	(209,255)	(1,420)	(5,590)	(10,829)	(16,306)	(304,567)
Reclassifications	-	2,549	268,491	-	-	1,610	(300,963)	(28,313)
Balance at September 30, 2025	<u>\$ 1,060,371</u>	<u>\$ 1,603,708</u>	<u>\$ 4,285,148</u>	<u>\$ 30,183</u>	<u>\$ 127,932</u>	<u>\$ 90,792</u>	<u>\$ 566,516</u>	<u>\$ 7,764,650</u>
<b>Accumulated depreciation</b>								
Balance at January 1, 2025	\$ -	\$ 315,724	\$ 2,083,052	\$ 15,635	\$ 71,600	\$ 22,957	\$ -	\$ 2,508,968
Depreciation expense	-	45,354	349,832	2,223	9,883	10,384	-	417,676
Disposals	-	(2,746)	(310,679)	(125)	(9,928)	(11,753)	-	(335,231)
Effect of foreign currency exchange differences	-	(14,356)	(107,468)	(810)	(2,537)	(3,994)	-	(129,165)
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 343,976</u>	<u>\$ 2,014,737</u>	<u>\$ 16,923</u>	<u>\$ 69,018</u>	<u>\$ 17,594</u>	<u>\$ -</u>	<u>\$ 2,462,248</u>
Carrying amounts at September 30, 2025	<u>\$ 1,060,371</u>	<u>\$ 1,259,732</u>	<u>\$ 2,270,411</u>	<u>\$ 13,260</u>	<u>\$ 58,914</u>	<u>\$ 73,198</u>	<u>\$ 566,516</u>	<u>\$ 5,302,402</u>
Carrying amounts at December 31, 2024	<u>\$ 1,062,617</u>	<u>\$ 1,320,406</u>	<u>\$ 2,033,104</u>	<u>\$ 11,130</u>	<u>\$ 56,782</u>	<u>\$ 65,219</u>	<u>\$ 469,079</u>	<u>\$ 5,018,337</u>
<b>Cost</b>								
Balance at January 1, 2024	\$ 1,062,617	\$ 1,451,055	\$ 3,403,539	\$ 23,106	\$ 100,032	\$ 46,357	\$ 430,708	\$ 6,517,414
Additions	-	4,000	333,977	4,672	7,886	3,294	556,056	909,885
Disposals	-	(88)	(130,276)	(1,860)	(1,812)	(187)	(21,828)	(156,051)
Effect of foreign currency exchange differences	2,730	36,861	171,264	1,057	3,545	6,232	20,195	241,884
Reclassifications	-	1,871	96,160	-	-	443	(313,420)	(214,946)
Balance at September 30, 2024	<u>\$ 1,065,347</u>	<u>\$ 1,493,699</u>	<u>\$ 3,874,664</u>	<u>\$ 26,975</u>	<u>\$ 109,651</u>	<u>\$ 56,139</u>	<u>\$ 671,711</u>	<u>\$ 7,298,186</u>
<b>Accumulated depreciation</b>								
Balance at January 1, 2024	\$ -	\$ 253,155	\$ 1,716,428	\$ 14,447	\$ 62,591	\$ 13,691	\$ -	\$ 2,060,312
Depreciation expense	-	39,235	302,192	1,869	6,781	5,722	-	355,799
Disposals	-	(79)	(84,039)	(1,752)	(1,712)	(177)	-	(87,759)
Effect of foreign currency exchange differences	-	11,764	91,417	606	1,939	2,959	-	108,685
Reclassifications	-	-	(392)	-	-	-	-	(392)
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 304,075</u>	<u>\$ 2,025,606</u>	<u>\$ 15,170</u>	<u>\$ 69,599</u>	<u>\$ 22,195</u>	<u>\$ -</u>	<u>\$ 2,436,645</u>
Carrying amounts at September 30, 2024	<u>\$ 1,065,347</u>	<u>\$ 1,189,624</u>	<u>\$ 1,849,058</u>	<u>\$ 11,805</u>	<u>\$ 40,052</u>	<u>\$ 33,944</u>	<u>\$ 671,711</u>	<u>\$ 4,861,541</u>

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

Building	5-50 years
Machinery equipment	2-14 years
Transportation equipment	3-11 years
Furniture and fixtures and other equipment	3-11 years

Property, plant and equipment pledged as collateral for bank borrowings were set out in Note 26.

### 13. LEASE ARRANGEMENTS

#### a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024	
<u>Carrying amounts</u>				
Land	\$ 48,281	\$ 53,308	\$ 54,165	
Buildings	80,243	38,890	28,588	
Office equipment	3,924	3,564	3,354	
Transportation equipment	<u>1,962</u>	<u>4,664</u>	<u>4,583</u>	
	<u>\$ 134,410</u>	<u>\$ 100,426</u>	<u>\$ 90,690</u>	
	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Additions to right-of-use assets	<u>\$ 24,742</u>	<u>\$ 11,338</u>	<u>\$ 76,348</u>	<u>\$ 13,550</u>
Deductions to right-of-use assets	<u>\$ -</u>	<u>\$ 79,331</u>	<u>\$ -</u>	<u>\$ 79,331</u>
Depreciation charge for right-of-use assets				
Land	\$ 404	\$ 444	\$ 1,256	\$ 1,317
Buildings	11,048	7,524	31,106	22,054
Office equipment	561	356	1,527	972
Transportation equipment	<u>798</u>	<u>1,327</u>	<u>2,702</u>	<u>4,044</u>
	<u>\$ 12,811</u>	<u>\$ 9,651</u>	<u>\$ 36,591</u>	<u>\$ 28,387</u>

Except for the above additions, deductions and depreciation expense recognized, the Group's right-of-use assets were not significantly impaired during the nine months ended September 30, 2025 and 2024.

Lease arrangements as collateral for bank borrowings were set out in Note 26.

#### b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amounts</u>			
Current	<u>\$ 47,715</u>	<u>\$ 22,577</u>	<u>\$ 18,285</u>
Non-current	<u>\$ 32,425</u>	<u>\$ 25,474</u>	<u>\$ 17,625</u>

Ranges of discount rates for lease liabilities were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Buildings	1.5336%- 6.6000%	1.5336%- 6.6000%	1.5336%- 6.6000%
Office equipment	0.6627%- 1.8780%	0.6627%- 1.8780%	0.6627%- 1.6500%
Transportation equipment	0.9459%- 1.8780%	0.9459%- 1.8780%	0.6667%- 1.6500%

c. Other lease information

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Expenses relating to short-term leases	<u>\$ 5,652</u>	<u>\$ 8,361</u>	<u>\$ 13,807</u>	<u>\$ 20,718</u>
Total cash outflow for leases	<u>\$ (16,517)</u>	<u>\$ (7,684)</u>	<u>\$ (57,650)</u>	<u>\$ (38,702)</u>

The Group's leases of certain building, office equipment and transportation equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

All lease commitments with lease terms commencing after the balance sheet dates are as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Lease commitments	<u>\$ _____</u>	<u>\$ 20,702</u>	<u>\$ _____</u>

## 14. BORROWINGS

a. Short-term borrowings

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Secured borrowings (Note 26)</u>			
Bank loans	\$ 218,342	\$ 34,674	\$ 35,023
Notes receivable as collateral	1,251,248	1,251,147	897,171
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>1,306,748</u>	<u>1,340,618</u>	<u>968,765</u>
	<u>\$ 2,776,338</u>	<u>\$ 2,626,439</u>	<u>\$ 1,900,959</u>

1) The range of bank interest rate on borrowings were 0.60%-5.33%, 1.00%-3.50% and 1.05%-3.50% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

- 2) Endorsements and guarantees for Dongguan Puguang, Hu Lane Vietnam, Hulane Nanjing and PT Hulane Tech Manufacturing are provided by the Company.
  - 3) Endorsements and guarantees for Jiaxing Shangho is provided by Hulane Nanjing.
- b. Long-term borrowings

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Secured borrowings (Note 26)</u>			
Bank loans	<u>\$ 5,935</u>	<u>\$ -</u>	<u>\$ -</u>

The Group obtained a new bank loan of RMB1,389 thousand from January 1 to September 30, 2025. The loan carries a floating interest rate tied to the LPR rate for each cycle, with repayment scheduled over three years. This disbursement was used to purchase equipment.

## 15. BONDS PAYABLE

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Unsecured domestic convertible bonds	<u>\$ -</u>	<u>\$ 1,088,686</u>	<u>\$ 1,330,883</u>

The Company was approved by letters of FSC No. 1120339981 on May 8, 2023 and Republic of China Securities OTC Trading Center No. 11200053862 on June 9, 2023 to issue the first unsecured domestic convertible bonds on June 14, 2023. The conditions of issuance were as follows:

- a. Approved issuance quota: \$1,500,000 thousand.
- b. Amount issued: \$1,500,000 thousand.
- c. Face value: \$100 thousand, issued at face value.
- d. Issuance period: The issuance period is 5 years, and from June 14, 2023 to June 14, 2028.
- e. Issuance price (NT\$100 thousand each): NT\$108.61 (issued at 108.61% of face value).
- f. Coupon rate: 0%.
- g. Conversion price: \$133.40.
- h. Principal repayment method: Except for the holders of the corporate bonds who has conversion right to convert bonds into ordinary shares of the Company at Conversion price per share, or exercise the right to sell back, or the Company redeems it in advance, or the Company buys it back and cancels it by the business office of the securities firm, the Company shall repay the convertible bonds in cash at face value when they mature.
- i. Conversion period: From the day after the issuance of the convertible bonds for three months (September 15, 2023) to the maturity date (June 14, 2028).

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 1.8047% per annum on initial recognition.

Proceeds from issuance (less transaction costs of \$5,233 thousand)	\$ 1,623,855
Equity component	(251,575)
Financial liabilities - redemption rights and put options	<u>(600)</u>
Liability component at the date of issue	1,371,680
Interest charged at an effective interest rate of 1.8047%	43,127
Convertible bonds converted into ordinary shares	(1,409,507)
Bond redemption	<u>(5,300)</u>
 Liability component at September 30, 2025	 <u><u>\$ -</u></u>

In April 2025, the Company repurchased the remaining convertible corporate bonds with a principal amount of \$5,600 thousand, resulting in a repurchase gain of \$45 thousand (recognized under “Other Gains and Losses”). The previously recognized amounts - Capital Surplus - Stock Warrants of \$955 thousand, Discount on Bonds Payable of \$300 thousand, and Financial Liabilities at Fair Value Through Profit or Loss - Redemption and Put Options of \$5 thousand - were reclassified to Capital Surplus - Treasury Share Transactions in the amount of \$615 thousand.

Starting from the day following three months after the issuance of the convertible bonds until forty days before the maturity date, if the closing price of the Company’s common stock exceeds 30% of the then - effective conversion price for thirty consecutive trading days, the Company may, within the following thirty trading days, send a “Bond Redemption Notice” to bondholders via registered mail, providing a thirty-day notice period. The redemption price is set at the face value of the convertible bonds, and the Company will redeem all bonds in cash. The Company will also request the Over-the-Counter (OTC) trading center to make an announcement.

Upon exercising the redemption request, the Company must complete the cash redemption of the convertible bonds within five trading days after the bond redemption record date. As the closing price of the Company’s common stock exceeded 30% of the then-effective conversion price for thirty consecutive trading days as of March 10, 2025, the Company exercised its bond redemption right from March 20, 2025 to April 18, 2025, at a redemption price of 100% of the bond’s face value. The last application date for holders of the convertible bonds to convert them into ordinary shares of the Company is April 22, 2025, and all remaining unconverted convertible bonds were fully redeemed by the Company on April 25, 2025. For further details, please refer to the Market Observation Post System.

## 16. OTHER PAYABLES

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accrued salaries and bonuses	\$ 231,695	\$ 221,452	\$ 176,200
Compensation of employees and remuneration of directors	60,763	66,682	70,931
Payables for equipment	236,304	201,727	182,801
Payables for interest	758	3,583	1,696
Payables for dividends	680,090	-	498,281
Others	<u>231,717</u>	<u>307,125</u>	<u>260,885</u>
	<u><u>\$ 1,441,327</u></u>	<u><u>\$ 800,569</u></u>	<u><u>\$ 1,190,794</u></u>

## 17. RETIREMENT BENEFIT PLANS

The Company's pension plans include defined contribution plans and defined benefit plans. The pension expenses of defined benefit plans were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

The pension expense of retirement benefit plans was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Defined benefit plans	<u>\$ 191</u>	<u>\$ 228</u>	<u>\$ 573</u>	<u>\$ 684</u>
Defined contribution plans	<u>\$ 27,246</u>	<u>\$ 23,044</u>	<u>\$ 80,122</u>	<u>\$ 64,888</u>

## 18. EQUITY

### a. Share capital

#### 1) Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousands)	<u>200,000</u>	<u>120,000</u>	<u>120,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 1,200,000</u>	<u>\$ 1,200,000</u>
Number of shares issued and fully paid (in thousands)	<u>119,016</u>	<u>102,739</u>	<u>102,148</u>
Shares issued	<u>\$ 1,190,157</u>	<u>\$ 1,027,390</u>	<u>\$ 1,021,476</u>

The change in the share capital of the Company is mainly due to the distribution of stock dividends and the exercise of conversion right of convertible bonds.

The shareholders' meeting resolved to issue share dividends of \$0.5 and \$0.25 which increased the share capital issued \$56,674 thousand and \$24,915 thousand on June 26, 2025 and May 30, 2024. On July 18, 2025 and August 7, 2024, the above transaction was approved by the FSC, and the ex-rights (ex-dividend) record date was determined by the board of directors to be September 9, 2025 and September 10, 2024. The company received the approval letters of the registration on September 25, 2025 and September 23, 2024, respectively.

#### 2) Convertible bonds converted to ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares requested for conversion and change in registration not yet been completed (in thousands)	<u>-</u>	<u>1,978</u>	<u>591</u>
Shares requested for conversion but change in registration has not yet been completed (in thousands)	<u>\$ -</u>	<u>\$ 19,782</u>	<u>\$ 5,914</u>

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
May be used to offset a deficit, distributed as cash dividends, or <u>transferred to share capital (1)</u>			
Issuance of ordinary shares	\$ 567,701	\$ 681,049	\$ 681,049
Conversion of bonds	1,547,007	353,415	81,263
Consolidation excess	53,723	53,723	53,723
Arising from treasury share transactions	615	-	-
<u>May only be used to offset a deficit</u>			
Recognizes changes in the ownership interests in subsidiaries (2)	2,610	2,610	2,610
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	101	101	101
<u>May not be used for any purpose</u>			
Share options	<u>-</u>	<u>194,064</u>	<u>238,325</u>
	<u>\$ 2,171,757</u>	<u>\$ 1,284,962</u>	<u>\$ 1,057,071</u>

- 1) The capital surplus arising from shares issued in excess of par (including share premium from issuance of common shares), conversion of bonds and consolidation excess may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).
- 2) Such capital surplus arising from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Note 20 (f): Compensation of employees and remuneration of directors.

In consideration of the operating environment and business growth, the Company distributed dividends both by cash and by stock to meet the capital needs for the Company's present and future expansion plans and to satisfy stockholders' cash flow requirements. In principle, cash dividends should not be lower than 10% of total dividends distributed.

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

The appropriations of earnings for 2024 and 2023 that had been approved in the shareholders' meetings on June 26, 2025 and May 30, 2024, respectively. The appropriations and dividends per share were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended</u>		<u>For the Year Ended</u>	
	<u>December 31</u>		<u>December 31</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	\$ 131,555	\$ 14		
Special reserve	(171,293)	100,323		
Cash dividends	566,742	398,625	\$ 5.00	\$ 4.00
Stock dividends	56,674	24,915	0.50	0.25

The Company's board of directors and shareholders proposed and resolved in their meeting on June 26, 2025 and May 30, 2024 to issue cash dividends of \$113,348 thousand and \$99,656 thousand, from the capital surplus, respectively.

d. Other equity items

Exchange differences on translation of the financial statements of foreign operations

	<u>For the Nine Months Ended</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ (70,192)	\$ (241,490)
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	(270,782)	216,472
Share from subsidiaries and associates accounted for using the equity method	(970)	699
Other comprehensive income recognized for the year	<u>(271,752)</u>	<u>217,171</u>
Balance at September 30	\$ <u>(341,944)</u>	\$ <u>(24,319)</u>

e. Non-controlling interests

	<u>For the Nine Months Ended</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 48,224	\$ 43,010
Net profit for the period	4,967	4,668
Other comprehensive income during the period		
Exchange differences on translation of the financial statements of foreign operations	<u>(4,977)</u>	<u>2,245</u>
Balance at September 30	\$ <u>48,214</u>	\$ <u>49,923</u>

## 19. REVENUE

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers				
Revenue from the sale of goods	<u>\$ 2,326,322</u>	<u>\$ 2,144,864</u>	<u>\$ 6,821,275</u>	<u>\$ 6,028,089</u>

### a. Description of customer contract

For details on the nature of various types of revenue, please refer to Note 4.

### b. Contact balances

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Notes receivable and trade receivables (Note 8)	<u>\$ 4,360,138</u>	<u>\$ 4,738,345</u>	<u>\$ 3,950,596</u>

## 20. NET PROFIT AND OTHER COMPREHENSIVE INCOME

### a. Interest income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Bank deposits	<u>\$ 4,041</u>	<u>\$ 5,040</u>	<u>\$ 10,429</u>	<u>\$ 14,398</u>

### b. Other income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Subsidy income	\$ 606	\$ 4,142	\$ 4,967	\$ 32,338
Dividend income	21	24	3,147	2,359
Others	<u>19,824</u>	<u>16,785</u>	<u>46,983</u>	<u>55,919</u>
	<u>\$ 20,451</u>	<u>\$ 20,951</u>	<u>\$ 55,097</u>	<u>\$ 90,616</u>

c. Other gains and losses

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Gain (loss) on financial assets and liabilities at FVTPL	\$ (43,292)	\$ 38,225	\$ (46,728)	\$ 73,942
Net foreign exchange gains (losses)	107,705	37,467	(139,542)	120,234
(Loss) gain on disposal of property, plant and equipment	(1,381)	(4,769)	(5,037)	(11,380)
Others losses	<u>(13,271)</u>	<u>(12,806)</u>	<u>(43,018)</u>	<u>(30,088)</u>
	<u>\$ 49,761</u>	<u>\$ 58,117</u>	<u>\$ (234,325)</u>	<u>\$ 152,708</u>

d. Depreciation and amortization expenses

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 143,105	\$ 120,634	\$ 417,676	\$ 355,799
Investment properties	-	1	3	4
Right-of-use assets	12,811	9,651	36,591	28,387
Intangible assets and others	<u>18,375</u>	<u>14,875</u>	<u>51,805</u>	<u>42,092</u>
	<u>\$ 174,291</u>	<u>\$ 145,161</u>	<u>\$ 506,075</u>	<u>\$ 426,282</u>
An analysis of depreciation by function				
Operating costs	\$ 130,864	\$ 105,057	\$ 374,240	\$ 315,779
Operating expenses	<u>25,052</u>	<u>25,229</u>	<u>80,030</u>	<u>68,411</u>
	<u>\$ 155,916</u>	<u>\$ 130,286</u>	<u>\$ 454,270</u>	<u>\$ 384,190</u>
An analysis of amortization by function				
Operating costs	\$ 5,150	\$ 3,931	\$ 14,776	\$ 10,859
Operating expenses	<u>13,225</u>	<u>10,944</u>	<u>37,029</u>	<u>31,233</u>
	<u>\$ 18,375</u>	<u>\$ 14,875</u>	<u>\$ 51,805</u>	<u>\$ 42,092</u>

e. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term benefits	\$ 437,767	\$ 399,180	\$ 1,267,154	\$ 1,135,767
Post-employment benefits (Note 17)				
Defined contribution plans	27,246	23,044	80,122	64,888
Defined benefit plans	191	228	573	684
	<u>27,437</u>	<u>23,272</u>	<u>80,695</u>	<u>65,572</u>
Other employee benefits	<u>36,856</u>	<u>35,819</u>	<u>109,795</u>	<u>92,721</u>
Total employee benefits expense	<u>\$ 502,060</u>	<u>\$ 458,271</u>	<u>\$ 1,457,644</u>	<u>\$ 1,294,060</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 290,588	\$ 260,142	\$ 846,940	\$ 731,133
Operating expenses	<u>211,472</u>	<u>198,129</u>	<u>610,704</u>	<u>562,927</u>
	<u>\$ 502,060</u>	<u>\$ 458,271</u>	<u>\$ 1,457,644</u>	<u>\$ 1,294,060</u>

f. Compensation of employees and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrues compensation of employees and remuneration of directors at the rates of 1%-10% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. Pursuant to the amendment to the Securities and Exchange Act in August 2024, the Company, by resolution of the 2025 Annual General Shareholders' Meeting, amended its Articles of Incorporation to stipulate that not less than 15% of the total amount of remuneration appropriated shall be allocated to rank-and-file employees, and not more than 1% shall be allocated as compensation to directors. The compensation of employees and the remuneration of directors for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 are as follows:

Accrual rate

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	4.87%	4.01%	4.56%	4.17%
Remuneration of directors	1.00%	0.72%	0.93%	0.83%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	<u>\$ 18,500</u>	<u>\$ 16,800</u>	<u>\$ 39,100</u>	<u>\$ 49,800</u>
Remuneration of directors	<u>\$ 3,800</u>	<u>\$ 3,000</u>	<u>\$ 8,000</u>	<u>\$ 9,900</u>

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

The compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023 which have been approved by the Company's board of directors on March 12, 2024 and March 24, 2023, respectively, were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 53,035	\$ 43,727
Remuneration of directors	13,490	11,075

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

## 21. INCOME TAX

- a. Major components of tax expense recognized in profit or loss:

	<b>For the Three Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<u>Current tax</u>				
In respect of the current year	\$ 8,441	\$ 96,709	\$ 144,940	\$ 242,326
Income tax on unappropriated earnings	-	-	36,594	19,711
Adjustments for prior years	135	-	(40,765)	6,596
<u>Deferred tax</u>				
In respect of the current year	<u>69,289</u>	<u>(1,810)</u>	<u>24,793</u>	<u>18,824</u>
Income tax expense recognized in profit or loss	<u>\$ 77,865</u>	<u>\$ 94,899</u>	<u>\$ 165,562</u>	<u>\$ 287,457</u>

- b. Income tax assessments

The Company's tax returns through 2022 have been assessed by the tax authorities. The Company includes Hong Kong branch's income in the calculation of its taxable income during tax declaration each year, and applied for tax refund after attestation by a local organization in Hong Kong recognized by the ROC. As of September 30, 2025, the Company applied for refund of tax through 2023, which was approved by the tax authorities through 2022. As of September 30, 2025, December 31, 2024 and September 30, 2024, tax refund receivables amounted to \$95,063 thousand, \$43,956 thousand and \$50,302 thousand, respectively.

## 22. EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Basic earnings per share	<u>\$ 2.54</u>	<u>\$ 2.90</u>	<u>\$ 6.27</u>	<u>\$ 8.68</u>
Diluted earnings per share	<u>\$ 2.53</u>	<u>\$ 2.66</u>	<u>\$ 5.98</u>	<u>\$ 7.97</u>

The weighted average number of shares outstanding used for the earnings per share computation was adjusted retroactively for the issuance of bonus shares on the record day of June 26, 2025. The basic and diluted earnings per share adjusted retrospectively for the nine months ended September 30, 2025 were as follows:

	For the Three Months Ended September 30, 2024		For the Nine Months Ended September 30, 2024	
	Before Retrospective Adjustment	After Retrospective Adjustment	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings per share	<u>\$ 3.05</u>	<u>\$ 2.90</u>	<u>\$ 9.12</u>	<u>\$ 8.68</u>
Diluted earnings per share	<u>\$ 2.78</u>	<u>\$ 2.66</u>	<u>\$ 8.32</u>	<u>\$ 7.97</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

### Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Earnings used in the computation of basic earnings per share	\$ 304,662	\$ 311,173	\$ 730,473	\$ 931,334
Effect of potentially dilutive ordinary shares:				
Interest on convertible bonds (after tax)	<u>-</u>	<u>5,154</u>	<u>3,334</u>	<u>15,379</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 304,662</u>	<u>\$ 316,327</u>	<u>\$ 733,807</u>	<u>\$ 946,713</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,950	107,294	116,501	107,268
Effect of potentially dilutive ordinary shares:				
Compensation of employees	307	273	388	345
Convertible bonds	<u>-</u>	<u>11,205</u>	<u>5,904</u>	<u>11,230</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>120,257</u>	<u>118,772</u>	<u>122,793</u>	<u>118,843</u>

Since the Group offered to settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

### 23. CASH FLOWS INFORMATION

Changes in liabilities arising from financing activities:

For the nine months ended September 30, 2025

	January 1, 2025	Cash Flows	Non-cash Changes		September 30, 2025
			New Lease Addition	Others	
Short-term borrowings	\$ 2,626,439	\$ 149,899	\$ -	\$ -	\$ 2,776,338
Long-term borrowings	-	5,935	-	-	5,935
Bonds payable	1,088,686	(5,600)	-	(1,083,086)	-
Lease liabilities	<u>48,051</u>	<u>(43,843)</u>	<u>76,348</u>	<u>(416)</u>	<u>80,140</u>
	<u>\$ 3,763,176</u>	<u>\$ 106,391</u>	<u>\$ 76,348</u>	<u>\$ (1,083,502)</u>	<u>\$ 2,862,413</u>

For the nine months ended September 30, 2024

	January 1, 2024	Cash Flows	Non-cash Changes		September 30, 2024
			New Lease Addition	Others	
Short-term borrowings	\$ 1,634,067	\$ 266,892	\$ -	\$ -	\$ 1,900,959
Bonds payable	1,385,635	-	-	(54,752)	1,330,883
Lease liabilities	<u>126,714</u>	<u>(17,984)</u>	<u>13,550</u>	<u>(86,370)</u>	<u>35,910</u>
	<u>\$ 3,146,416</u>	<u>\$ 248,908</u>	<u>\$ 13,550</u>	<u>\$ (141,122)</u>	<u>\$ 3,267,752</u>

## 24. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not carried at fair value

Management believes the carrying amounts of financial assets and financial liabilities not carried at fair values approximate their fair values.

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

1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	\$ 119,701	\$ -	\$ -	\$ 119,701
Mutual funds	<u>108,608</u>	<u>-</u>	<u>-</u>	<u>108,608</u>
	<u>\$ 228,309</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,309</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	\$ 124,962	\$ -	\$ 33,658	\$ 158,620
Mutual funds	7,212	-	-	7,212
Redemption rights and put options	<u>-</u>	<u>-</u>	<u>1,504</u>	<u>1,504</u>
	<u>\$ 132,174</u>	<u>\$ -</u>	<u>\$ 35,162</u>	<u>\$ 167,336</u>

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	\$ 188,469	\$ -	\$ -	\$ 188,469
Mutual funds	7,190	-	-	7,190
Redemption rights and put options	<u>-</u>	<u>-</u>	<u>2,273</u>	<u>2,273</u>
	<u>\$ 195,659</u>	<u>\$ -</u>	<u>\$ 2,273</u>	<u>\$ 197,932</u>

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

2) Reconciliation of Level 3 fair value measurements of financial instruments

	<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>
<u>Financial assets at FVTPL</u>		
Balance on January 1	\$ 35,162	\$ -
Recognized in profit or loss (included in other gains and losses)	(7,408)	-
Transfers out of Level 3	(27,001)	-
Disposition	(753)	-
Reclassifications	-	<u>2,273</u>
Balance on September 30	<u>\$ -</u>	<u>\$ 2,273</u>
<u>Financial liabilities at FVTPL</u>		
Balance on January 1	\$ -	\$ 2,400
Recognized in profit or loss (included in other gains and losses)	-	(4,673)
Reclassifications	-	<u>2,273</u>
Balance on September 30	<u>\$ -</u>	<u>\$ -</u>

For the nine months ended September 30, 2025, the Group reclassified its OTC-listed equity securities from Level 3 to Level 1 in the fair value hierarchy, as the trading volume met the criteria of an active market. The amount reclassified was NT\$27,001 thousand.

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

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>		
Domestic emerging stock market investments	Market multiples approach: The fair value of the subject asset is evaluated using the trading prices of comparable industry peers in an active market, incorporating relevant market multiples and discount rates. A key unobservable input is the liquidity discount rate.		
Redemption rights and put options	The binary tree convertible bond evaluation model is used for the evaluation of financial instruments, and the material unobservable inputs are the risk-free rate, stock price and volatility.		
<b>Significant Unobservables</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Risk-free interest rate	-	1.4902%	1.4027%
Shares	-	176.0	182.5
Volatility	-	26.93%	26.20%
Liquidity discount rate	-	16.29%	-

If all the other variables were held constant, the fair value would increase (decrease) as follows:

<b>Significant Unobservables</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Risk-free interest rate			
Rise 10bp	\$ _____ -	\$ _____ (10)	\$ _____ -
Fell 10bp	\$ _____ -	\$ _____ -	\$ _____ 10
Shares			
Rise 7%	\$ _____ -	\$ _____ 70	\$ _____ 60
Fell 7%	\$ _____ -	\$ _____ (60)	\$ _____ (90)
Volatility			
Rise 1%	\$ _____ -	\$ _____ 30	\$ _____ (60)
Fell 1%	\$ _____ -	\$ _____ (30)	\$ _____ (10)
Liquidity discount rate			
Rise 1%	\$ _____ -	\$ _____ (66)	\$ _____ -
Fell 1%	\$ _____ -	\$ _____ 66	\$ _____ -

c. Categories of financial instruments

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)			
Mandatorily classified as at FVTPL	\$ 228,309	\$ 167,336	\$ 197,932
Financial assets at amortized cost (1)	5,512,155	5,913,240	5,131,447

Financial liabilities

Financial liabilities at amortized cost (2)	5,852,830	6,077,349	5,721,223
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- 1) The balances include financial assets measured at amortized cost, which comprised cash and cash equivalents, notes receivable, trade receivables, trade receivables from related parties, other receivables, other receivables from related parties and part of other current and non-current assets.
- 2) The balances include financial liabilities measured at amortized cost, which comprised short-term loans, notes payable, trade payables, other payables, long-term borrowings, bonds payable and part of other non-current liabilities.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity instruments, trade receivables, trade payables, lease liabilities and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The corporate treasury function reports quarterly to the Company's board of directors.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 29.

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase (decrease) in pre-tax profit and other equity associated with the New Taiwan dollar strengthening 5% against the relevant currency. For a 5% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	<b>USD Impact</b>		<b>RMB Impact</b>	
	<b>For the Nine Months Ended</b>		<b>For the Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Profit or loss	\$ 18,932	\$ 24,637	\$ (711)	\$ 14,851

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates.

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

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Fair value interest rate risk			
Financial assets	\$ 173,623	\$ 272,116	\$ 305,589
Financial liabilities	2,782,273	2,626,439	1,900,959
Cash flow interest rate risk			
Financial assets	943,812	854,685	814,816
Financial liabilities	5,935	-	-

#### Sensitivity analysis

The sensitivity analyses were determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. The Group's floating-rate financial assets were demand deposits, which fluctuated moderately, and accordingly the Group was exposed to low interest rate risk. On the other hand, no floating-rate liabilities were held at the end of the reporting period, and no related sensitivity analysis was performed.

## 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by related departments such as executive vice president, internal auditors, and financial accounting.

The Group transacts with a large number of diverse customers from different industries and geographical locations; the Group performs ongoing credit evaluation on the financial condition of trade receivables and controlled the credit risk exposure.

The Group's concentration of credit risk accounted for 11%, 7% and 6% of total trade receivables as of September 30, 2025, December 31, 2024 and September 30, 2024, which were attributable to the Group's specific customer.

### 3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) below.

#### a) Liquidity and interest risk rate tables

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

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

#### September 30, 2025

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 877,677	\$ 2,104,121	\$ 79,435	\$ 9,324	\$ -
Lease liabilities	3,524	6,786	39,179	33,465	89
Variable interest rate liabilities	6	11	49	6,064	-
Fixed interest rate liabilities	<u>607,570</u>	<u>1,029,930</u>	<u>1,153,522</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,488,777</u>	<u>\$ 3,140,848</u>	<u>\$ 1,272,185</u>	<u>\$ 48,853</u>	<u>\$ 89</u>

#### December 31, 2024

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 875,078	\$ 1,356,503	\$ 130,643	\$ 1,157,000	\$ -
Lease liabilities	5,094	3,053	15,792	26,308	-
Fixed interest rate liabilities	<u>743,522</u>	<u>1,203,187</u>	<u>687,011</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,623,694</u>	<u>\$ 2,562,743</u>	<u>\$ 833,446</u>	<u>\$ 1,183,308</u>	<u>\$ -</u>

September 30, 2024

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 704,774	\$ 1,702,370	\$ 81,436	\$ 1,421,701	\$ -
Lease liabilities	2,955	4,766	11,510	18,320	-
Fixed interest rate liabilities	<u>363,222</u>	<u>871,467</u>	<u>673,108</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,070,951</u>	<u>\$ 2,578,603</u>	<u>\$ 766,054</u>	<u>\$ 1,440,021</u>	<u>\$ -</u>

b) Financing facilities

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Unsecured bank overdraft facilities			
Amount used	\$ 1,306,748	\$ 1,340,630	\$ 968,765
Amount unused	<u>3,225,533</u>	<u>1,647,705</u>	<u>2,189,135</u>
	<u>\$ 4,532,281</u>	<u>\$ 2,988,335</u>	<u>\$ 3,157,900</u>
Secured bank overdraft facilities			
Amount used	\$ 1,475,525	\$ 1,285,821	\$ 932,194
Amount unused	<u>2,024,073</u>	<u>977,276</u>	<u>978,052</u>
	<u>\$ 3,499,598</u>	<u>\$ 2,263,097</u>	<u>\$ 1,910,246</u>

e. Financial asset transfer information

Information on the Group's outstanding accounts receivable for sale at the end of the period is summarized below:

September 30, 2025

<b>Counterparty</b>	<b>Receivables Factoring Proceed</b>	<b>Advances Received - Unused</b>	<b>Advances Received - Used</b>	<b>Annual Interest Rates on Advances Received (Used) (%)</b>
Shenzhen DiLian Technology Co., Ltd.	\$ 41,791	\$ -	\$ 41,791	3.60

Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the counterparties.

During the nine months ended September 30, 2025 and 2024, the Group's discounted notes receivable with an aggregate carrying amount of \$2,088,521 thousand and \$1,798,424 thousand were sold to a bank for cash proceeds of \$2,078,659 thousand and \$1,786,623 thousand, respectively. According to the contract, if the notes receivable are not paid at maturity, the bank has the right to request the Group to pay the unsettled balance, as the Group has not transferred the significant risks and rewards relating to these notes receivable.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amount of the notes receivable that have been transferred but have not been derecognized were \$1,240,905 thousand, \$1,253,374 thousand and \$899,991 thousand, respectively, and the carrying amount of the related liabilities (refer to Note 14) were \$1,238,179 thousand, \$1,251,147 thousand and \$897,171 thousand, respectively.

## 25. TRANSACTIONS WITH RELATED PARTIES

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

### a. Related parties and their relationships with the Group

<u>Related Party</u>	<u>Relationship with the Group</u>
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Associate
Shenzhen Lianjie Industrial Co., Ltd	Related party in substance

### b. Operating revenue

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Sales	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	\$ 100,976	\$ 74,980	\$ 309,840	\$ 160,055
	Shenzhen Lianjie Industrial Co., Ltd	<u>20,241</u>	<u>46,246</u>	<u>75,141</u>	<u>143,292</u>
		<u>\$ 121,217</u>	<u>\$ 121,226</u>	<u>\$ 384,981</u>	<u>\$ 303,347</u>

Transactions between the Group and the aforementioned related parties were conducted at transaction prices and payment terms comparable to those with unrelated parties.

c. Receivables from related parties

<b>Line Item</b>	<b>Related Party Name</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Trade receivables	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	\$ 116,328	\$ 124,049	\$ 85,072
	Shenzhen Lianjie Industrial Co., Ltd	9,736	20,502	23,406
Other receivables	Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	<u>-</u>	<u>6,557</u>	<u>6,330</u>
		<u>\$ 126,064</u>	<u>\$ 151,108</u>	<u>\$ 114,808</u>

d. Other income

<b>Related Party Category/Name</b>	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>12,430</u>

The fees charged by the Group for providing with management services.

e. Remuneration of key management personnel

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Salaries and short-term employee benefits	\$ 39,580	\$ 27,186	\$ 90,071	\$ 88,060
Post-employment benefits	<u>434</u>	<u>357</u>	<u>1,263</u>	<u>1,011</u>
	<u>\$ 40,014</u>	<u>\$ 27,543</u>	<u>\$ 91,334</u>	<u>\$ 89,071</u>

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

## 26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 961,465	\$ 961,465	\$ 961,465
Buildings	816,894	754,632	767,708
Right-of-use assets - land	33,592	-	-
Notes receivable	1,253,975	1,253,374	899,991
Other financial assets	<u>42,710</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,108,636</u>	<u>\$ 2,969,471</u>	<u>\$ 2,629,164</u>

Land and buildings were recorded as property, plant and equipment and right-of-use assets; other financial assets were recorded under other current assets.

## 27. SIGNIFICANT EVENTS: NONE

## 28. OTHER SIGNIFICANT EVENTS: NONE

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

The Group's significant assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>									
Monetary items									
USD	\$ 16,343	30.4450	\$ 497,535	\$ 17,401	32.7850	\$ 570,505	\$ 17,096	31.650	\$ 541,088
EUR	1,239	35.7700	44,307	1,743	34.1400	59,493	3,557	35.380	125,859
RMB	2,879	4.2710	12,297	22,707	4.4780	101,682	65,860	4.523	297,884
Non-monetary items									
Associates accounted for using the equity method									
RMB	7,458	4.2710	31,853	5,866	4.4780	26,270	4,926	4.523	22,821
<u>Financial liabilities</u>									
Monetary items									
USD	3,906	30.4450	118,904	1,612	32.7850	52,836	1,528	31.650	48,353
EUR	-	35.7700	-	239	34.1400	8,157	905	35.380	32,029
RMB	6,209	4.2710	26,519	223	4.4780	1,000	189	4.523	857

The Group is mainly exposed to the USD, EUR and RMB. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

<b>For the Three Months Ended September 30</b>				
<b>2025</b>			<b>2024</b>	
<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gain (Loss)</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gain (Loss)</b>
NTD	1 (NTD:NTD)	\$ 117,912	1 (NTD:NTD)	\$ 19,636
RMB	4.2710 (RMB:NTD)	(219)	4.5230 (RMB:NTD)	364
VND	0.0011 (VND:NTD)	(4,894)	0.0013 (VND:NTD)	6,946
HKD	3.9130 (HKD:NTD)	(360)	4.0750 (HKD:NTD)	(240)
IDR	0.0018 (IDR:NTD)	<u>(4,734)</u>	0.0021 (IDR:NTD)	<u>10,761</u>
		<u>\$ 107,705</u>		<u>\$ 37,467</u>

<b>For the Nine Months Ended September 30</b>				
<b>2025</b>			<b>2024</b>	
<b>Foreign Currency</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gain (Loss)</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange Gain (Loss)</b>
NTD	1 (NTD:NTD)	\$ (134,685)	1 (NTD:NTD)	\$ 109,976
RMB	4.2710 (RMB:NTD)	(401)	4.5230 (RMB:NTD)	870
VND	0.0011 (VND:NTD)	(1,568)	0.0013 (VND:NTD)	5,236
HKD	3.9130 (HKD:NTD)	105	4.0750 (HKD:NTD)	(271)
IDR	0.0018 (IDR:NTD)	<u>(2,993)</u>	0.0021 (IDR:NTD)	<u>4,423</u>
		<u>\$ (139,542)</u>		<u>\$ 120,234</u>

### 30. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and jointly controlled entities). (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 4)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 5)
- 6) Intercompany relationships and significant intercompany transactions. (Table 6)
- 7) Information on investees. (Table 7)

b. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 8)
- 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: (Note 25, Tables 1, 2 and 9)
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.

Disposal of property, plant and equipment

Related Parties	Net Disposal Proceeds		Unrealized Profit and Loss For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Hulane Nanjing	\$ -	\$ 3,503	\$ -	\$ (2,079)
Dongguan Hulane Puguang Trading Co., Ltd.	\$ 7,881	\$ 1,613	\$ 430	\$ 197
Jiaxing Shangho Electrics Technology Co., Ltd.	\$ 1,045	\$ -	\$ -	\$ -

The above intercompany transactions have been eliminated upon consolidation.

- d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
- e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

### 31. SEGMENT INFORMATION

The Group makes operating decisions based on the information of the Group as a whole; thus, the Group is treated as a single operating segment, and there is no need to disclose the financial information of operating segments.

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
1	Evervalue Investments Limited	PT. Hulane Tech. Manufacturing	Other receivables from related parties	Yes	\$ 54,801 (US\$ 1,800)	\$ - (US\$ -)	\$ - (US\$ -)	5.9%	Short-term financing	\$ -	Operations	\$ -	None	\$ -	\$ 392,969 (Note 2)	\$ 1,571,877 (Note 2)
		Hulane Electronics (Vietnam) Limited	Other receivables from related parties	Yes	60,890 (US\$ 2,000)	60,890 (US\$ 2,000)	60,890 (US\$ 2,000)	5.5%	Short-term financing	-	Operations	-	None	-	1,571,877 (Note 2)	1,571,877 (Note 2)

Note 1: a. Issuer is numbered 0.

b. The investee companies are numbered starting with 1.

Note 2: According to the operating procedures of Evervalue Investments Limited's financing provided to others, the limitations on borrowers and total amount of financing are as follows:

a. The total amount of Evervalue Investments Limited's financing to others does not exceed 40% of net value of Evervalue Investments Limited.

b. For those companies that have business transactions with Evervalue Investments Limited, the total amount of financing provided does not exceed 20% of net value of Evervalue Investments Limited, and the financing amount of individual borrower does not exceed the amount of transactions with Evervalue Investments Limited in the previous 12 months.

c. For those companies that are necessary for short-term financing, the total amount of financing provided does not exceed 40% of net value of Evervalue Investments Limited, including the subsidiaries of which more than 90% of its shares is held by Evervalue Investments Limited. The rest is limited by 10% of current net value of Evervalue Investments Limited.

d. For foreign companies of which 100% of its shares is directly or indirectly held by Hu Lane Associate Inc., the total amount of financing provided should not exceed 40% of the net value of Evervalue Investments Limited, and the financing amount of individual borrowers should not exceed 40% of the net value of Evervalue Investments Limited.

## HU LANE ASSOCIATE INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/Guarantee Amount Provided to Each Counterparty	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit (Note 3)	Endorsement/Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/Guarantee Given on Behalf of Companies in Mainland China
		Name	Nature of Relationship										
0	Hu Lane Associate Inc. (Note 1)	Evervalue Investments Limited	Subsidiary of which more than 50% of its shares is held by the investor	\$ 1,648,480	\$ 91,335 (US\$ 3,000)	\$ - (US\$ -)	\$ -	\$ -	-	\$ 3,296,960	Y	N	N
		Dongguan Hulane Puguang Trading Co., Ltd.	Investee company of which more than 50% of its ordinary shares is held by the parent company and its subsidiaries	824,240	371,690 (US\$ 8,000) (RMB 30,000)	243,560 (US\$ 8,000) (RMB -)	128,130	-	2.95	3,296,960	Y	N	Y
		Hulane Electronics (Vietnam) Limited	Subsidiary of which more than 50% of its shares is held by the investor	1,648,480	341,482 (US\$ 6,700) (VND 125,000,000)	280,592 (US\$ 4,700) (VND 125,000,000)	9,652	-	3.4	3,296,960	Y	N	N
		PT. Hulane Tech Manufacturing	Investee company of which more than 50% of its ordinary shares is held by the parent company and its subsidiaries	824,240	121,780 (US\$ 4,000)	121,780 (US\$ 4,000)	54,801	-	1.48	3,296,960	Y	N	N
		Hulane Electronics (Nanjing) Limited	Investee company of which more than 50% of its ordinary shares is held by the parent company and its subsidiaries	824,240	128,130 (RMB 30,000)	- (RMB -)	-	-	-	3,296,960	Y	N	Y
		Dongguan Hulane Electronic Technology Co., Ltd.	Investee company of which more than 50% of its ordinary shares is held by the parent company and its subsidiaries	824,240	121,780 (US\$ 4,000)	121,780 (US\$ 4,000)	-	-	1.48	3,296,960	Y	N	Y
1	Hulane Electronics (Nanjing) Limited (Note 2)	Jiaxing Shangho Electronic Technology Co., Ltd.	Investee company of which up to 100% of its ordinary shares is held by the Hu Lane Associate Inc. and its subsidiaries	504,878	106,775 (RMB 25,000)	- (RMB -)	-	106,775	-	577,003	N	N	Y
2	Dongguan Hulane Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Investee company of which up to 100% of its ordinary shares is held by the Hu Lane Associate Inc. and its subsidiaries	675,179	576,585 (RMB 135,000)	576,585 (RMB 135,000)	213,550	-	29.89	964,541	N	N	Y

Note 1: The amount of endorsements or guarantee of Hu Lane Associate Inc. does not exceed 20% of current net value on the financial statements to a single company, excluding the subsidiaries of which more than 90% of its shares is held by Hu Lane Associate Inc. The rest is limited by 10% of current net value of Hu Lane Associate Inc.

Note 2: The amount of endorsements or guarantee of Hulane Electronics (Nanjing) does not exceed 35% of current net value on the financial statements to a single company, excluding the subsidiaries of which more than 90% of its shares is held by Hulane Electronics (Nanjing). The rest is limited by 10% of current net value of Hulane Electronics (Nanjing).

Note 3: The amount of endorsements or guarantee of Hulane Electronics (Dongguan) does not exceed 35% of current net value on the financial statements to a single company, excluding the subsidiaries of which more than 90% of its shares is held by Hulane Electronics (Dongguan). The rest is limited by 10% of current net value of Hulane Electronics (Dongguan).

Note 4: The cumulative amount of Hu Lane Associate Inc. and Hulane Electronics (Nanjing)'s endorsements does not exceed 40% of current net value on the financial statements.

Note 5: The cumulative amount of Hulane Electronics (Dongguan)'s endorsements does not exceed 50% of current net value on the financial statements.

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

**MARKETABLE SECURITIES HELD**

**SEPTEMBER 30, 2025**

**(In Thousands of New Taiwan Dollars)**

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Hu Lane Associate Inc.	<u>Domestic listed shares</u>							
	Chia Chang Co., Limited	-	Financial assets at fair value through profit or loss - current	10,451	\$ 379	-	\$ 379	
	HD Renewable Energy Co., Ltd.	-	Financial assets at fair value through profit or loss - current	678,873	85,538	-	85,538	
	<u>Domestic emerging market shares</u>							
	RAC Electric Vehicles Inc.	-	Financial assets at fair value through profit or loss - current	1,207,000	33,784	-	33,784	
	<u>Mutual funds</u>							
	AB FCP I-American Income Portfolio Class EA Shares USD	-	Financial assets at fair value through profit or loss - current	143,816	46,281	-	46,281	
PIMCO Funds: Global Investors Series plc Diversified Income Fund BM Retail Class/Decumulation	-	Financial assets at fair value through profit or loss - current	108,108	31,037	-	31,037		
Fidelity Funds - Global Income Fund B-MCDIST(G)-USD	-	Financial assets at fair value through profit or loss - current	103,552	31,290	-	31,290		

HU LANE ASSOCIATE INC. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Hu Lane Associate Inc.	Dongguan Hulane Puguang Trading Co., Ltd.	Sub-subsidiary	Sale	\$ (1,404,944)	(57)	365 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	\$ 1,813,290	80	
Hulane Electronics (Nanjing) Limited	Hu Lane Associate Inc.	Parent company	Sale	(124,258)	(8)	90 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	53,490	9	
Dongguan Hulane Puguang Trading Co., Ltd.	Dongguan Hulane Electronic Technology Co., Ltd.	Sister company	Sale	(107,724)	(2)	90 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	60,097	2	
Dongguan Hulane Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	Sale	(1,730,512)	(95)	270 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	1,243,419	88	
Hulane Electronics (Nanjing) Limited	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	Sale	(1,366,031)	(88)	270 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	381,602	67	
Hulane Electronic (Vietnam) Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	Sale	(207,414)	(43)	270 days	Not significantly different from general customers	Credit conditions adjusted based on Vietnam's trading practices	91,335	53	
	Hu Lane Associate Inc.	Parent company	Sale	(147,013)	(30)	90 days	Not significantly different from general customers	Credit conditions adjusted based on Vietnam's trading practices	52,392	30	
Jiaxing Shangho Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	Sale	(706,883)	(75)	270 days	Not significantly different from general customers	Credit conditions adjusted based on China's trading practices	123,902	50	

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**

**SEPTEMBER 30, 2025**

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Hu Lane Associate Inc.	Dongguan Hulane Puguang Trading Co., Ltd.	Sub-subsiary	\$ 1,813,290	1.00	\$ -	-	\$ 180,483	\$ -
Dongguan Hulane Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	1,243,419	1.90	-	-	116,553	-
Hulane Electronics (Nanjing) Limited	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	381,602	4.99	-	-	55,817	-
Jiaxing Shangho Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	Sister company	123,902	5.90	-	-	94,512	-

## HU LANE ASSOCIATE INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets
0	Hu Lane Associate Inc.	Hulane Electronic (Nanjing) Co., Ltd.	a.	Other receivables	\$ 47,036	Regular settlement or debit-credit offset	-
		Hulane Electronic (Nanjing) Co., Ltd.	a.	Other revenue	43,055	Based on general terms	1
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Sales	1,404,944	Based on general terms	21
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Trade receivables from related parties	1,813,290	Regular settlement or debit-credit offset	12
		Dongguan Hulane Puguang Trading Co., Ltd.	a.	Other receivables	27,744	Regular settlement or debit-credit offset	-
		Dongguan Hulane Electronic Technology Co., Ltd.	a.	Other receivables	50,126	Regular settlement or debit-credit offset	-
		Dongguan Hulane Electronic Technology Co., Ltd.	a.	Other revenue	43,961	Based on general terms	1
		Hulane Electronic (Vietnam) Co., Ltd.	a.	Trade receivables from related parties	26,621	Regular settlement or debit-credit offset	-
		Hulane Electronic (Vietnam) Co., Ltd.	a.	Sales	25,788	Based on general terms	-
		Hulane Electronic (Vietnam) Co., Ltd.	a.	Other receivables	79,210	Regular settlement or debit-credit offset	1
		PT. Hulane Tech Manufacturing	a.	Trade receivables from related parties	19,455	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	a.	Other receivables	19,761	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	a.	Sales	15,415	Based on general terms	-
		HuLane Associate Inc. Europe S.r.l.	a.	Trade receivables from related parties	101,257	Regular settlement or debit-credit offset	1
HuLane Associate Inc. Europe S.r.l.	a.	Sales	67,822	Based on general terms	1		
1	Hulane Electronic (Nanjing) Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	53,490	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	124,258	Based on general terms	2
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	381,602	Regular settlement or debit-credit offset	3
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	1,366,031	Based on general terms	20
		Jiaxing Shangho Electronic Technology Co., Ltd.	c.	Other receivables	32,423	Regular settlement or debit-credit offset	-
		Jiaxing Shangho Electronic Technology Co., Ltd.	c.	Sales	31,239	Based on general terms	-
		Jiaxing Shangho Electronic Technology Co., Ltd.	c.	Trade receivables from related parties	41,679	Regular settlement or debit-credit offset	-
2	Dongguan Hulane Electronic Technology Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	47,643	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	82,382	Based on general terms	1
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	1,243,419	Regular settlement or debit-credit offset	8
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	1,730,512	Based on general terms	25
3	Dongguan Hulane Puguang Trading Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	73,781	Regular settlement or debit-credit offset	1
		Hu Lane Associate Inc.	b.	Sales	76,608	Based on general terms	1
		Hulane Electronic (Vietnam) Co., Ltd.	c.	Sales	48,756	Based on general terms	1
		Hulane Electronic (Vietnam) Co., Ltd.	c.	Trade receivables from related parties	67,116	Regular settlement or debit-credit offset	-
		Dongguan Hulane Electronic Technology Co., Ltd.	c.	Trade receivables from related parties	60,097	Regular settlement or debit-credit offset	-
		Dongguan Hulane Electronic Technology Co., Ltd.	c.	Sales	107,724	Based on general terms	2
		Hulane Electronic (Nanjing) Co., Ltd.	c.	Sales	47,225	Based on general terms	1

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets
		PT. Hulane Tech Manufacturing	c.	Trade receivables from related parties	\$ 35,623	Regular settlement or debit-credit offset	-
		PT. Hulane Tech Manufacturing	c.	Sales	27,878	Based on general terms	-
		HuLane Associate Inc. Europe S.r.l.	c.	Sales	10,712	Based on general terms	-
		Jiaxing Shangho Electronic Technology Co., Ltd.	c.	Sales	23,615	Based on general terms	-
		Jiaxing Shangho Electronic Technology Co., Ltd.	c.	Trade receivables from related parties	12,111	Regular settlement or debit-credit offset	-
4	Hulane Electronic (Vietnam) Co., Ltd.	Hu Lane Associate Inc.	b.	Trade receivables from related parties	52,392	Regular settlement or debit-credit offset	-
		Hu Lane Associate Inc.	b.	Sales	147,013	Based on general terms	2
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	207,414	Based on general terms	3
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	91,335	Regular settlement or debit-credit offset	1
5	Evervalue Investments Limited	Hulane Electronic (Vietnam) Co., Ltd.	c.	Other receivables	62,193	Regular settlement or debit-credit offset	-
6	PT. Hulane Tech Manufacturing	Hu Lane Associate Inc.	b.	Sales	26,099	Based on general terms	-
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	23,672	Regular settlement or debit-credit offset	-
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	24,501	Based on general terms	-
7	Jiaxing Shangho Electronic Technology Co., Ltd.	Dongguan Hulane Puguang Trading Co., Ltd.	c.	Trade receivables from related parties	123,902	Regular settlement or debit-credit offset	1
		Dongguan Hulane Puguang Trading Co., Ltd.	c.	Sales	706,883	Based on general terms	10
		Hu Lane Associate Inc.	b.	Sales	14,884	Based on general terms	-

Note 1: The No. column is denoted as follows:

- a. The parent company is numbered 0.
- b. The subsidiary companies are numbered starting from 1.

Note 2: The relationship column is denoted as follows:

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

Note 3: The ratio of transaction amount to consolidated total revenue or total assets is calculated as the ending balance to consolidated total assets for asset and liability accounts and as the cumulative amount to consolidated total revenue for profit and loss accounts.

Note 4: A transaction of NT\$10 million or more.

(Concluded)

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Hu Lane Associate Inc.	Evervalue Investments Limited	Offshore Chambers, P.O. Box 217, Apia, Samoa	Investment	\$ 467,557	\$ 467,557	15,220	100.00	\$ 3,726,187	\$ 318,413	\$ 318,413	Note
	Telford Investments Limited	"	Investment	-	38,490	-	-	-	(2,105)	(2,105)	
	Eagle Good Limited	"	Investment	225,132	225,132	10,680	100.00	440,995	93,929	93,929	
	Hulane Electronics (Vietnam) Limited	Vietnam	Manufacturing	182,033	182,033	6,300	100.00	341,023	37,187	37,187	
	PT Hulane Tech Manufacturing	Indonesia	Manufacturing	15,472	15,472	800	12.31	25,244	33,155	4,081	
	HuLane Associate Inc. Europe S.r.l.	Italy	Manufacturing	14,689	14,689	500	90.00	12,922	(2,652)	(2,387)	
Evervalue Investments Limited	Fortune Master Development Limited	Hong Kong	Investment	277,993	277,993	9,400	100.00	2,134,841	237,564	237,564	
	PT Hulane Tech Manufacturing	Indonesia	Manufacturing	143,164	143,164	3,474	71.91	220,921	33,155	23,842	

Note: On June 23, 2025 has been completed the liquidation.

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

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

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outward	Inward						
Hulane Electronics (Nanjing) Limited	Manufacture and sales of terminals, bales of wire, connectors and molds.	US\$ 8,500	Note 1	\$ 275,946	\$ -	\$ -	\$ 275,946	\$ 64,284	100.00	\$ 64,284	\$ 1,442,508	\$ 416,083
Dongguan Hulane Electronics Technology Co., Ltd.	Manufacture and sales of terminals, bales of wire, connectors and molds.	US\$ 8,000	Note 1	236,287	-	-	236,287	245,800	100.00	245,800	1,929,082	293,312
Dongguan Hulane Puguang Trading Co., Ltd.	Sales of terminals, bales of wire, connectors and molds.	US\$ 1,600	Note 1	41,706	-	-	41,706	72,731	100.00	72,341	164,894	-
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Sales of terminals, bales of wire, connectors and molds.	US\$ 1,500	Note 2	16,608	-	-	16,608	37,108	40.00	14,843	31,851	8,292
Jiaxing Shangho Electronic Technology Co., Ltd.	Manufacture and sales of terminals, bales of wire, connectors and molds.	US\$ 10,500	Note 3	133,740	-	-	133,740	93,931	100.00	93,931	440,976	-

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
US\$26,090 thousand (NT\$704,287 thousand)	US\$26,090 thousand	\$8,290,613 thousand × 60% = \$4,974,368 thousand

Note 1: Investment through companies incorporated in a third region.

Note 2: Direct investment by the Company.

Note 3: The acquisition through merger of Eagle Good Limited.

**HU LANE ASSOCIATE INC. AND SUBSIDIARIES**

**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 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025**  
**(In Thousands of New Taiwan Dollars)**

Investee Company	Transaction Type	Amount	Price	Payment Terms	Comparison with Normal Transaction	Ending Balance	%	Unrealized (Gain) Loss
Hulane Electronics (Nanjing) Limited	Sales	\$ 1,529,560	Not significantly different from general customers	90-270 days	Not significantly different from general customers Credit conditions adjusted based on China's trading practices	\$ 481,238	84	Note 2
	Purchase	50,269	Not significantly different from general customers	90 days		(13,123)	(3)	-
Dongguan Hulane Puguang Trading Co., Ltd.	Sales	342,517	Not significantly different from general customers	90-180 days	Not significantly different from general customers Credit conditions adjusted based on China's trading practices	260,737	7	Note 2
	Purchase	5,490,958	Not significantly different from general customers	180-365 days		(3,720,735)	(99)	-
Dongguan Hulane Electronics Technology Co., Ltd.	Sales	1,814,770	Not significantly different from general customers	90-270 days	Not significantly different from general customers Credit conditions adjusted based on China's trading practices	1,291,685	92	Note 2
	Purchase	111,659	Not significantly different from general customers	90-365 days		(62,134)	(11)	-
Jiaxing Shangho Electronic Technology Co., Ltd.	Sales	739,709	Not significantly different from general customers	90 days	Not significantly different from general customers Credit conditions adjusted based on China's trading practices	146,806	59	-
	Purchase	52,605	Not significantly different from general customers	90 days		(51,252)	(18)	-
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Purchase	309,840	Not significantly different from general customers	90 days	Credit conditions adjusted based on China's trading practices	(126,064)	(103)	-

Note 1: All unrealized gains and losses with investee companies in mainland China were eliminated in the consolidated financial statements.

Note 2: Hulane Electronic (Nanjing) Limited had an unrealized balance of \$25,035 thousand through September 30, 2025; the unrealized balance of Dongguan Hulane Puguang Trading Co., Ltd. is \$198,702 thousand; the unrealized balance of Dongguan Hulane Electronic Technology Co., Ltd. is \$97,575 thousand.