

# **INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**With Independent Auditors' Review Report**

**For the Nine Months Ended September 30, 2025 and 2024**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

## Table of Contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3~4
4. Consolidated Balance Sheets	5
5. Consolidated Statements of Comprehensive Income	6
6. Consolidated Statements of Changes in Equity	7
7. Consolidated Statements of Cash Flows	8
8. Notes to the Consolidated Financial Statements	
(1) Overview	9
(2) Financial Statements Authorization Date and Authorization Process	9
(3) New Standards, Amendments and Interpretations Adopted	9~11
(4) Summary of Material Accounting Policies	11~12
(5) Significant Accounting Judgments, Estimations, Assumptions, and Major Sources of Estimation Uncertainty	12
(6) Explanation to Significant Accounts	12~38
(7) Related Party Transactions	39~41
(8) Pledged Assets	41
(9) Significant Commitments and Contingencies	42~43
(10) Losses Due to Major Disasters	43
(11) Subsequent Events	43
(12) Other	43~44
(13) Other Disclosures	
(a) Information on significant transactions	44
(b) Information on investees	45
(c) Information on investment in Mainland China	45~46
(14) Segment Information	46~47

## **Independent Auditors' Review Report**

To the Board of Directors of Inventec Besta Co., Ltd.:

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Inventec Besta Co., Ltd. and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three and the nine months ended September 30, 2025 and 2024, as well as changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policies. 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 Standards (“IASs”) 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 review.

### **Scope of Review**

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China 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 stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$14,376 thousand and \$17,597 thousand, constituting 2.25% and 2.62% of consolidated total assets as of September 30, 2025 and 2024, respectively; total liabilities amounting to \$6,534 thousand and \$7,644 thousand, constituting 3.70% and 4.02% of consolidated total liabilities as of September 30, 2025 and 2024, respectively; and total comprehensive income (loss) amounting to \$782, \$(748) thousand, \$(1,383) thousand and \$(1,785) thousand, constituting (68.60)%, 10.95%, 15.42% and 4.95% of consolidated total comprehensive income (loss) for the three and the nine months ended September 30, 2025 and 2024, respectively.

## **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Inventec Besta Co., Ltd. and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three and the nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months ended September 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IASs 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 Ying-Ju Chen and Rou-Lan Kuo.

KPMG

Taipei, Taiwan (Republic of China)

Nov 10, 2025

### **Notes to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

Reviewed only, not audited in accordance with the standards on auditing

## INVENTEC BESTA CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets

September 30, 2025, December 31, 2024, and September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity		September 30, 2025		December 31, 2024		September 30, 2024				
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%			
<b>Current Assets:</b>								<b>Current Liabilities:</b>										
1100	Cash and cash equivalents	(Note 6(a))	\$ 234,944	37	255,826	40	253,839	38	2130	Current contract liabilities	(Note 6(o))	\$ 22,631	4	19,405	3	15,027	2	
1140	Current contract assets	(Note 6(o))	3,308	-	2,197	-	1,709	-	2170	Notes and accounts payable	(Note 7)	55,135	9	45,627	7	95,877	14	
1150	Notes receivable, net	(Note 6(c))	-	-	-	-	2,521	1	2200	Other payables	(Note 7)	50,206	8	48,229	7	29,306	4	
1170	Accounts receivable, net	(Notes 6(c) and 7)	60,237	9	39,106	6	57,106	8	2280	Current lease liabilities	(Notes 6(j), (u) and 7)	3,483	-	4,539	1	3,201	1	
1200	Other receivables	(Notes 6(d) and 7)	26,817	4	22,282	3	22,634	3	2300	Other current liabilities		4,688	1	3,431	1	4,289	1	
1220	Current tax assets		1,117	-	687	-	516	-				136,143	22	121,231	19	147,700	22	
130X	Inventories	(Note 6(e))	47,869	8	52,126	8	46,935	7	<b>Non-current Liabilities:</b>									
1476	Other current financial assets	(Notes 6(i) and 8)	60,892	10	62,104	11	51,035	8	2570	Deferred tax liabilities		12,379	2	13,169	2	13,405	2	
1479	Other current assets, others	(Note 6(i))	9,969	2	14,049	2	46,243	7	2580	Non-current lease liabilities	(Notes 6(j), (u) and 7)	12,785	2	17,133	3	8,714	1	
			445,153	70	448,377	70	482,538	72	2640	Net defined benefit liability, non-current	(Note 6(k))	11,738	2	12,588	2	15,616	2	
									2670	Other non-current liabilities, others		3,518	-	4,079	-	4,732	1	
												40,420	6	46,969	7	42,467	6	
<b>Non-current Assets:</b>																		
1517	Non-current financial assets at fair value through other comprehensive income	(Note 6(b))	47,983	8	36,886	6	39,324	6	<b>Total liabilities</b>									
1600	Property, plant and equipment	(Note 6(f))	111,193	17	115,047	18	119,651	18										
1755	Right-of-use assets	(Note 6(g))	16,247	2	22,025	3	12,442	2	<b>Equity Attributable to Owners of Parent:</b>		(Note 6(m))							
1780	Intangible assets	(Note 6(h))	9,965	2	9,714	2	9,562	1	3100	Capital stock		623,663	97	623,663	98	623,663	93	
1840	Deferred tax assets		-	-	-	-	1,589	-	3200	Capital surplus		-	-	12,047	2	12,047	2	
1980	Other non-current financial assets	(Notes 6(i), 7 and 8)	7,604	1	6,699	1	5,901	1	3300	Retained earnings		(58,235)	(9)	(51,387)	(8)	(43,969)	(7)	
1990	Other non-current assets, others	(Note 6(i))	-	-	-	-	330	-	3400	Other equity		(103,846)	(16)	(113,775)	(18)	(110,571)	(16)	
			192,992	30	190,371	30	188,799	28	<b>Total equity</b>									
									<b>Total liabilities and equity</b>									
	<b>Total assets</b>		<b>\$ 638,145</b>	<b>100</b>	<b>638,748</b>	<b>100</b>	<b>671,337</b>	<b>100</b>				<b>\$ 638,145</b>	<b>100</b>	<b>638,748</b>	<b>100</b>	<b>671,337</b>	<b>100</b>	

See accompanying notes to consolidated financial statements.

## (English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the standards on auditing

## INVENTEC BESTA CO., LTD. AND SUBSIDIARIES

## Consolidated Statements of Comprehensive Income

For the three and the nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		For the three months ended September 30,				For the nine months ended September 30,				
		2025		2024		2025		2024		
		Amount	%	Amount	%	Amount	%	Amount	%	
4000	Operating revenue	(Notes 6(o) and 7)	\$ 107,844	100	118,724	100	339,342	100	364,978	100
5000	Operating costs	(Note 6(c))	(82,355)	(76)	(96,545)	(81)	(253,231)	(75)	(300,363)	(82)
	<b>Gross profit from operations</b>		<b>25,489</b>	<b>24</b>	<b>22,179</b>	<b>19</b>	<b>86,111</b>	<b>25</b>	<b>64,615</b>	<b>18</b>
	<b>Operating expenses:</b>									
6100	Selling expenses		(8,413)	(8)	(9,463)	(8)	(27,650)	(8)	(31,109)	(9)
6200	Administrative expenses		(10,786)	(10)	(10,946)	(9)	(33,603)	(10)	(33,136)	(9)
6300	Research and development expenses		(19,829)	(18)	(21,060)	(18)	(53,390)	(16)	(56,931)	(16)
6450	Expected reversal gain (credit loss)	(Notes 6(c), (d) and (o))	6,522	6	3,718	3	5,416	2	(5,030)	(1)
	<b>Total operating expenses</b>		<b>(32,506)</b>	<b>(30)</b>	<b>(37,751)</b>	<b>(32)</b>	<b>(109,227)</b>	<b>(32)</b>	<b>(126,206)</b>	<b>(35)</b>
	<b>Net operating loss</b>		<b>(7,017)</b>	<b>(6)</b>	<b>(15,572)</b>	<b>(13)</b>	<b>(23,116)</b>	<b>(7)</b>	<b>(61,591)</b>	<b>(17)</b>
	<b>Non-operating income and expenses:</b>	(Note 6(q))								
7100	Interest income		1,634	1	1,232	1	4,984	2	4,756	1
7010	Other income		3,973	4	3,549	3	8,055	2	7,832	2
7020	Other gains and losses		2,286	2	(306)	-	(9,596)	(3)	6,541	2
7050	Finance costs		(174)	-	(123)	-	(705)	-	(468)	-
	<b>Total non-operating income and expenses</b>		<b>7,719</b>	<b>7</b>	<b>4,352</b>	<b>4</b>	<b>2,738</b>	<b>1</b>	<b>18,661</b>	<b>5</b>
7900	Loss from continuing operations before tax		702	1	(11,220)	(9)	(20,378)	(6)	(42,930)	(12)
7950	Less: Income tax expenses	(Note 6(l))	-	-	-	-	-	-	1,600.00	-
	<b>Loss</b>		<b>702</b>	<b>1</b>	<b>(11,220)</b>	<b>(9)</b>	<b>(20,378)</b>	<b>(6)</b>	<b>(44,530)</b>	<b>(12)</b>
	<b>Other comprehensive income (losses):</b>									
8310	<b>Items that may not be reclassified subsequently to profit or loss</b>									
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(3,414)	(3)	3,148	3	14,576	4	4,412	1
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		-	-	-	-	-	-	-	-
	<b>Total items that may not be reclassified subsequently to profit or loss</b>		<b>(3,414)</b>	<b>(3)</b>	<b>3,148</b>	<b>3</b>	<b>14,576</b>	<b>4</b>	<b>4,412</b>	<b>1</b>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>									
8361	Exchange differences on translation of foreign financial statements		1,966	2	1,551	1	(3,954)	(1)	4,320	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss		394	1	310	-	(790)	-	249	-
	<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>1,572</b>	<b>1</b>	<b>1,241</b>	<b>1</b>	<b>(3,164)</b>	<b>(1)</b>	<b>4,071</b>	<b>1</b>
	<b>Other comprehensive income (losses), net of income tax</b>		<b>(1,842)</b>	<b>(2)</b>	<b>4,389</b>	<b>4</b>	<b>11,412</b>	<b>3</b>	<b>8,483</b>	<b>2</b>
8500	<b>Total comprehensive income (losses)</b>		<b>\$ (1,140)</b>	<b>(1)</b>	<b>(6,831)</b>	<b>(5)</b>	<b>(8,966)</b>	<b>(3)</b>	<b>(36,047)</b>	<b>(10)</b>
	<b>Earnings per share</b>	(Note 6(n))								
9750	Basic/ Diluted earnings (losses) per share (NT dollars)		<b>\$ 0.01</b>		<b>(0.18)</b>		<b>(0.33)</b>		<b>(0.71)</b>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the standards on auditing

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**

For the nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent							Total Equity
	Capital Stock		Retained Earnings			Other Equity		
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings (Accumulated Deficits)	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Income (Losses) from Financial Assets Measured at Fair Value through Other Comprehensive Income	
<b>Balance at January 1, 2024</b>	\$ 623,663	82,159	-	-	(70,112)	44,501	(162,994)	517,217
Net loss for the period	-	-	-	-	(44,530)	-	-	(44,530)
Other comprehensive income (loss) for the period	-	-	-	-	-	4,071	4,412	8,483
Total comprehensive income (loss) for the period	-	-	-	-	(44,530)	4,071	4,412	(36,047)
Capital surplus used to offset accumulated deficits	-	(70,112)	-	-	70,112	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	561	-	(561)	-
<b>Balance at September 30, 2024</b>	<b>\$ 623,663</b>	<b>12,047</b>	<b>-</b>	<b>-</b>	<b>(43,969)</b>	<b>48,572</b>	<b>(159,143)</b>	<b>481,170</b>
<b>Balance at January 1, 2025</b>	\$ 623,663	12,047	-	-	(51,387)	47,629	(161,404)	470,548
Net loss for the period	-	-	-	-	(20,378)	-	-	(20,378)
Other comprehensive income (loss) for the period	-	-	-	-	-	(3,164)	14,576	11,412
Total comprehensive income (loss) for the period	-	-	-	-	(20,378)	(3,164)	14,576	(8,966)
Capital surplus used to offset accumulated deficits	-	(12,047)	-	-	12,047	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	1,483	-	(1,483)	-
<b>Balance at September 30, 2025</b>	<b>\$ 623,663</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58,235)</b>	<b>44,465</b>	<b>(148,311)</b>	<b>461,582</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the standards on auditing

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

For the nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2025	2024
<b>Cash flows from (used in) operating activities:</b>		
Loss before income tax	\$ (20,378)	(42,930)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	7,340	10,542
Amortization expense	3,326	2,544
Expected credit loss (reversal gain)	(5,416)	5,030
Interest expense	705	468
Interest income	(4,984)	(4,756)
Dividend income	(1,665)	(1,050)
Gain on disposal of property, plant and equipment	-	(46)
Gain on modification of lease	(70)	(53)
<b>Total adjustments to reconcile profit (loss)</b>	<b>(764)</b>	<b>12,679</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Contract assets	(1,179)	(1,583)
Notes and accounts receivable	(21,612)	42,562
Other receivables	957	2,688
Inventories	4,240	4,636
Other current assets	4,077	(37,681)
Other financial assets	805	-
<b>Total changes in operating assets</b>	<b>(12,712)</b>	<b>10,622</b>
<b>Changes in operating liabilities:</b>		
Contract liabilities	3,226	845
Notes and accounts payable	9,514	(3,300)
Other payables	3,141	(8,945)
Other current liabilities	1,312	(1,043)
Net defined benefit liability	(850)	(2,163)
<b>Total changes in operating liabilities</b>	<b>16,343</b>	<b>(14,606)</b>
<b>Total changes in operating assets and liabilities</b>	<b>3,631</b>	<b>(3,984)</b>
<b>Total adjustments</b>	<b>2,867</b>	<b>8,695</b>
Cash outflow generated used in operations	(17,511)	(34,235)
Interest received	5,410	4,977
Dividends received	1,665	1,050
Interest paid	(705)	(468)
Income taxes paid	(431)	(321)
<b>Net cash flows used in operating activities</b>	<b>(11,572)</b>	<b>(28,997)</b>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,862	1,101
Acquisition of property, plant and equipment	(923)	(6,408)
Disposal of property, plant and equipment	-	46
Acquisition of intangible assets	(4,351)	(3,448)
Other financial assets	(2,128)	(131)
Increase in other non-current assets	-	(330)
<b>Net cash flows used in investing activities</b>	<b>(4,540)</b>	<b>(9,170)</b>
<b>Cash flows from (used in) financing activities:</b>		
Payment of lease liabilities	(2,659)	(2,916)
(Decrease) Increase in other non-current liabilities	(513)	441
<b>Net cash flows used in financing activities</b>	<b>(3,172)</b>	<b>(2,475)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1,598)</b>	<b>1,867</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(20,882)</b>	<b>(38,775)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>255,826</b>	<b>292,614</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 234,944</b>	<b>253,839</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the standards on auditing

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**September 30, 2025 and 2024**

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

**(1) Overview**

Inventec Besta Co., Ltd. (“the Company”) was incorporated on February 17, 1989 and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company’s registered office was Rm. 1, 4F., No. 13, Sec. 2, Beitou Rd., Beitou Dist., Taipei City, Taiwan, R.O.C. The Company and its subsidiaries (“the Group”) were engaged primarily in the design, research, development, and sale of electronic dictionaries, digital products, etc, and enterprise service business. On August 21, 2007, the Taiwan Stock Exchange Corporation (TWSE) approved the IPO of the Company, and the Company’s first trading began on October 29 of the same year.

**(2) Financial Statements Authorization Date and Authorization Process**

The consolidated financial statements were authorized for issuance by the Board of Directors on Nov 10, 2025.

**(3) New Standards, Amendments and Interpretations Adopted**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025.

- Amendments to IAS21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

- (b) The impact of IFRS Accounting Standards issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature dependent Electricity”

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of Amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>·A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>·Management performance measures (MPMs): the new standard introduces a definition for management performance measures and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>·Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	<p>January 1, 2027</p> <p>Note: In the press release issued by the FSC on September 25, 2025, public companies will be required to apply IFRS 18, “Presentation and Disclosure in Financial Statements” (“IFRS 18”) starting from the fiscal year 2028. The entities can choose to early adopt IFRS 18 based on their requirements after the FSC endorses IFRS 18.</p>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements.

·Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”

·IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

**(4) Summary of Material Accounting Policies**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

**(b) Basis of consolidation**

**1. List of subsidiaries in the consolidated financial statements**

List of subsidiaries in the consolidated financial statements, was as follows:

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Inventec Besta (BVI) Co., Ltd.	Investment management	100%	100%	100%	(Note 1)
"	Besta (Cayman) Co., Ltd.	Investment management	100%	100%	100%	
Inventec Besta (BVI) Co., Ltd.	Inventec Besta (XiAn) Co., Ltd.	Design, research, and sale of electronic products	100%	100%	100%	(Note 1)
Besta (Cayman) Co., Ltd.	Besta Digital Technology Co., Ltd.	Sale of electronic dictionaries and PDA-related products	100%	100%	100%	

Note 1: The financial statements of the non-significant subsidiaries have not been reviewed.

**2. Subsidiaries excluded from the consolidated financial statements: None.**

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Accounting Standards 34, Interim Financial Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost in the consolidated interim financial statements was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

**(5) Significant Accounting Judgments, Estimation, Assumptions, and Major Sources of Estimation Uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The principles of preparation of the consolidated financial statements and the related significant estimates and underlying assumptions are consistent with Note 5 of the consolidated financial statements for the year ended December 31, 2024.

**(6) Explanation to Significant Accounts**

(a) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash on hand	\$ 662	439	504
Demand deposits	51,077	50,109	28,224
Foreign currency deposits	86,628	19,130	64,985
Cash equivalents - Time deposits	25,666	28,031	28,306
Cash equivalents - Bonds	70,911	158,117	131,820
Total	<u>\$ 234,944</u>	<u>255,826</u>	<u>253,839</u>

Please refer to Note 6(r) for the interest rate risk, and sensitivity analysis of the financial assets of the Group.

The aforesaid financial assets were not pledged as collateral.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Non-current financial assets at fair value through other comprehensive income

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Equity instruments at fair value through other comprehensive income:			
Stocks listed on markets	\$ 43,337	-	-
Stocks not listed on markets	4,646	36,886	39,324
	<u>\$ 47,983</u>	<u>36,886</u>	<u>39,324</u>

As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of accumulate unrealized evaluation losses amounted to \$155,400.

The Group holds 9% of common shares of Anhui Raise Victa Technology Co., Ltd, and invests the amount of CNY 3,000. The main operating activities of Anhui Raise Victa Technology Co., Ltd, are intelligent voice product development. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of accumulate unrealized evaluation losses amounted to \$8,168, \$7,957 and \$7,718, respectively.

The Group holds 0.73% of common shares of HUSHAN Autoparts Inc. and invests the amount of \$30,000 in December 2023. HUSHAN Autoparts Inc. became officially listed and traded in March 2025. The main operating activities of HUSHAN Autoparts Inc. are the manufacture of automobiles and components. The Group sold gradually shares in 2025 and 2024, the fair values at the time of disposal amounted to \$2,862 and \$1,101, and the disposal gain amounted to \$1,483 and \$561, respectively, the aforementioned cumulative disposal gain have been transferred from other equity to retained earnings. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of accumulate unrealized evaluation gains amounted to \$15,257, \$1,953 and \$3,975, respectively.

The Group held equity instruments as strategic long-term investments and not for trading, and therefore were designated to be measured at fair value through other comprehensive income.

For fair value of financial assets, please refer to Note 6(r).

The aforesaid financial assets were not pledged as collateral.

(c) Notes and accounts receivable

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable	\$ -	-	2,541
Accounts receivable	61,655	40,090	58,561
Less: Loss allowance	(1,418)	(984)	(1,475)
	<u>\$ 60,237</u>	<u>39,106</u>	<u>59,627</u>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group adopts a simplified approach to estimate expected credit losses for all notes and accounts receivable, i.e. measurement using expected credit losses during the term of existence. For this measurement purpose, these notes and accounts receivable are grouped according to the common credit risk characteristics representing the customer's ability to pay all due amounts according to contract terms, and have been included in forward-looking information, including overall economic and related industry information. The expected credit losses analysis of the Group's notes and accounts receivable were as follows:

	<b>September 30, 2025</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not past due	\$ 59,500	0.00%~5.00%	1,311
Less than 30 days past due	2,155	4.78%~6.01%	107
	<b>\$ 61,655</b>		<b>1,418</b>

	<b>December 31, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Not past due	\$ 39,136	0.00%~5.00%	935
Less than 30 days past due	952	4.71%~30.00%	48
91 to 120 days past due	2	51.83%	1
	<b>\$ 40,090</b>		<b>984</b>

	<b>September 30, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not past due	\$ 54,435	0.00%~5.00%	778
Less than 30 days past due	4,261	0.77%~14.37%	141
More than 91 days past due	2,406	22.38%~50.00%	556
	<b>\$ 61,102</b>		<b>1,475</b>

The movements in the loss allowance for the Group's notes and accounts receivable were as follows:

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	For the nine months ended September 30,	
	2025	2024
Balance at January 1	\$ 984	1,401
Impairment losses recognized	434	74
Balance at September 30	<b>\$ 1,418</b>	<b>1,475</b>

The aforesaid notes and accounts receivable were not pledged as collateral.

(d) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Other receivables	\$ 38,103	39,486	38,919
Less: Loss allowance	(11,286)	(17,204)	(16,285)
	<b>\$ 26,817</b>	<b>22,282</b>	<b>22,634</b>

The Group adopts a simplified approach to estimate expected credit losses for all other receivables, i.e. measurement using expected credit losses during the term of existence. For this measurement purpose, these other receivables are grouped according to the common credit risk characteristics representing the customer's ability to pay all due amounts according to contract terms, and have been included in forward-looking information, including overall economic and related industry information. The expected credit loss analysis of the Group's other receivables were as follows:

	September 30, 2025		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Not past due	\$ 24,836	0.00%~7.34%	982
Less than 30 days past due	4,078	41.90%	1,709
31 to 90 days past due	1,072	44.86%~55.62%	486
More than 91 days past due	8,117	77.74%~100%	8,109
	<b>\$ 38,103</b>		<b>11,286</b>

  

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not past due	\$ 20,470	0.00%~8.42%	1,665
Less than 30 days past due	2,468	30%~52.11%	1,255
31 to 90 days past due	5,335	50%~80%	3,071
More than 121 days past due	11,213	100%	11,213
	<b>\$ 39,486</b>		<b>17,204</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>September 30, 2024</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Not past due	\$ 19,187	0.00%~7.17%	1,235
Less than 30 days past due	7,882	50.52%	3,982
31 to 90 days past due	1,451	52.78%~52.90%	767
More than 91 days past due	10,399	79.04%~100%	10,301
	<b>\$ 38,919</b>		<b>16,285</b>

The movements in the loss allowance for the Group's other receivables were as follows:

	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 17,204	11,559
Impairment losses recognized (reversed)	(5,918)	4,726
Balance at September 30	<b>\$ 11,286</b>	<b>16,285</b>

The aforesaid financial assets were not pledged as collateral.

(e) Inventories

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Raw materials and consumables	\$ 19,678	15,628	14,393
Work in process	9,348	3,931	3,824
Finished goods	4,897	8,663	4,881
Merchandise	13,946	23,904	23,837
	<b>\$ 47,869</b>	<b>52,126</b>	<b>46,935</b>

The components of operating costs were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cost of goods sold	\$ 82,531	100,765	253,328	301,771
Gains on reversal of inventory valuation and obsolescence	(176)	(4,220)	(97)	(5,069)
Obsolescence losses on disposal of scrap	-	-	-	3,661
Total	<b>\$ 82,355</b>	<b>96,545</b>	<b>253,231</b>	<b>300,363</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The loss allowance for inventory valuation and obsolescence loss was due to the inventory be written down below cost to net realizable value, which was recognized as cost of goods sold. The recovery profit for inventory was due to the unrecognized scrapped or disposed inventories which previously net realizable value are lower than the cost. As a result, the net realizable value of inventories is increased, and a deduction of operating costs is recognized.

The Group's inventories were not pledged as collateral.

(f) Property, plant, and equipment

The movements in the cost, depreciation, and impairment of the property, plant, and equipment of the Group were as follows:

	Land	Building and construction	Machinery and equipment	Other facilities	Unfinished construction and equipment pending acceptance	Total
Cost or deemed cost:						
Balance at January 1, 2025	\$ 60,950	68,895	18,103	57,755	-	205,703
Additions	-	-	39	494	130	663
Disposals	-	-	(202)	(6,950)	-	(7,152)
Effect of movements in exchange rates	-	(682)	(163)	(70)	-	(915)
Balance at September 30, 2025	<u>\$ 60,950</u>	<u>68,213</u>	<u>17,777</u>	<u>51,229</u>	<u>130</u>	<u>198,299</u>
Balance at January 1, 2024	\$ 60,950	68,367	21,294	69,769	-	220,380
Additions	-	-	115	1,350	-	1,465
Disposals	-	-	(3,614)	(8,374)	-	(11,988)
Effect of movements in exchange rates	-	724	254	75	-	1,053
Balance at September 30, 2024	<u>\$ 60,950</u>	<u>69,091</u>	<u>18,049</u>	<u>62,820</u>	<u>-</u>	<u>210,910</u>
Depreciation and impairment losses:						
Balance at January 1, 2025	\$ -	23,422	17,006	50,228	-	90,656
Depreciation for the period	-	1,012	261	2,965	-	4,238
Disposals	-	-	(202)	(6,950)	-	(7,152)
Effect of movements in exchange rates	-	(407)	(163)	(66)	-	(636)
Balance at September 30, 2025	<u>\$ -</u>	<u>24,027</u>	<u>16,902</u>	<u>46,177</u>	<u>-</u>	<u>87,106</u>
Balance at January 1, 2024	\$ -	21,765	20,863	52,675	-	95,303
Depreciation for the period	-	1,015	207	5,979	-	7,201
Disposals	-	-	(3,614)	(8,374)	-	(11,988)
Effect of movements in exchange rates	-	418	254	71	-	743
Balance at September 30, 2024	<u>\$ -</u>	<u>23,198</u>	<u>17,710</u>	<u>50,351</u>	<u>-</u>	<u>91,259</u>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Land</u>	<u>Building and construction</u>	<u>Machinery and equipment</u>	<u>Other facilities</u>	<u>Unfinished construction and equipment pending acceptance</u>	<u>Total</u>
Carrying amounts:						
Balance at January 1, 2025	\$ 60,950	45,473	1,097	7,527	-	115,047
Balance at September 30, 2025	\$ 60,950	44,186	875	5,052	130	111,193
Balance at January 1, 2024	\$ 60,950	46,602	431	17,094	-	125,077
Balance at September 30, 2024	\$ 60,950	45,893	339	12,469	-	119,651

The aforesaid property, plant, and equipment were not pledged as collateral.

(g) Right-of-use assets

The movements in the cost and depreciation of the leased buildings, machinery and equipment of the Group were as follows:

	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Total</u>
Cost:			
Balance at January 1, 2025	\$ 33,399	3,400	36,799
Disposals	(6,515)	-	(6,515)
Effect of movements in exchange rates	(180)	-	(180)
Balance at September 30, 2025	\$ 26,704	3,400	30,104
Balance at January 1, 2024	\$ 23,462	1,593	25,055
Additions	7,540	1,807	9,347
Disposals	(7,762)	-	(7,762)
Effect of movements in exchange rates	196	-	196
Balance at September 30, 2024	\$ 23,436	3,400	26,836
Accumulated depreciation:			
Balance at January 1, 2025	\$ 13,465	1,309	14,774
Depreciation for the period	2,541	561	3,102
Disposals	(3,981)	-	(3,981)
Effect of movements in exchange rates	(38)	-	(38)
Balance at September 30, 2025	\$ 11,987	1,870	13,857
Balance at January 1, 2024	\$ 15,373	579	15,952
Depreciation for the period	2,846	495	3,341
Disposals	(4,924)	-	(4,924)
Effect of movements in exchange rates	25	-	25
Balance at September 30, 2024	\$ 13,320	1,074	14,394

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Total</b>
Carrying amounts:			
Balance at January 1, 2025	\$ 19,934	2,091	22,025
Balance at September 30, 2025	\$ 14,717	1,530	16,247
Balance at January 1, 2024	\$ 8,089	1,014	9,103
Balance at September 30, 2024	\$ 10,116	2,326	12,442

(h) Intangible assets

	<b>Trademark</b>	<b>Royalties</b>	<b>Other intangible assets</b>	<b>Total</b>
Carrying amounts:				
Balance at January 1, 2025	\$ 6,312	1,984	1,418	9,714
Balance at September 30, 2025	\$ 6,312	1,521	2,132	9,965
Balance at January 1, 2024	\$ 6,312	1,650	696	8,658
Balance at September 30, 2024	\$ 6,312	1,368	1,882	9,562

There were no significant additions, impairment, or reversal in intangible assets for the nine months ended September 30, 2025 and 2024. For other information, please refer to Note 6(h) of the consolidated financial statements for the year ended December 31, 2024.

The Group performs the impairment test where there are indications of impairment of intangible assets and the recoverable amount is determined by the value in use. The accumulated impairment losses on other royalties amounted to \$47,865 as of September 30, 2025, December 31, 2024 and September 30, 2024.

(i) Other financial assets, other current assets and other non-current assets

The other financial assets, other current assets and other non-current assets of the Group were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Time deposits over three months	\$ 33,271	34,306	34,758
Refundable deposits	19,825	18,293	20,178
Pledged time deposits	2,000	2,000	2,000
Purchases on behalf of others	13,399	14,205	28,871
Prepayment for purchases	6,301	10,293	12,666
Others	3,669	3,755	5,036
Total	\$ 78,465	82,852	103,509

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

In performing purchases on behalf of others, the Group acts as the nature of an agent determined the substance of the transaction since it is not exposed to significant risks and rewards associated with the sales of goods or the rendering of services. Therefore, the transaction is reflected as the net amount after the purchases and sales are written off. The unused inventory of purchases is listed as other financial assets.

The details of other financial assets were pledged as collateral, please refer to Note 8.

(j) Lease liabilities

The carrying amounts of lease liabilities of the Group were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Current	<b>\$ 3,483</b>	<b>4,539</b>	<b>3,201</b>
Non-current	<b>\$ 12,785</b>	<b>17,133</b>	<b>8,714</b>

For the maturity analysis, please refers to Note 6(r) of financial instruments.

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest on lease liabilities	<b>\$ 123</b>	<b>92</b>	<b>386</b>	<b>200</b>
Expenses relating to short-term leases	<b>\$ 122</b>	<b>61</b>	<b>368</b>	<b>178</b>

The amounts recognized in the statement of cash flows for the Group were as follows:

	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
Total cash outflow for leases	<b>\$ 3,413</b>	<b>3,294</b>

1. Real estate leases

The Group leases buildings for its office space. The leases of office space typically run for 1 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

2. Other leases

The Group leases instruments and equipment, with lease terms of 5 years. The lessor agrees to unconditionally transfer ownership of the leased assets to the Group at the end of the contract term.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group also leases office equipment, which are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(k) Employee benefits

1. Defined benefit plans

There was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial results as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

	<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>
Operating costs	\$ 2	3	7	8
Selling expenses	10	11	29	34
Administrative expenses	33	38	99	115
Research and development expenses	14	16	42	49
<b>Total</b>	<b>\$ 59</b>	<b>68</b>	<b>177</b>	<b>206</b>

The net defined benefit liability amounted to \$11,738, \$12,588 and \$15,616 as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

2. Defined contribution plans

	<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>
Operating costs	\$ 76	69	213	198
Selling expenses	281	517	1,406	1,142
Administrative expenses	211	213	640	644
Research and development expenses	482	552	1,543	2,028
<b>Total</b>	<b>\$ 1,050</b>	<b>1,351</b>	<b>3,802</b>	<b>4,012</b>

The pension expenses contributed by the foreign entities following the local regulations amounted to \$424, \$446, \$1,243 and \$1,394 for the three and the nine months ended September 30, 2025 and 2024, respectively.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(l) Income taxes

1. Income tax expense

The components of the Group's income tax expenses were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current income tax expense				
Current period	\$ -	-	-	-
Deferred tax expense				
Origination and reversal of temporary differences	-	-	-	1,600
Income tax expense from continuing operations	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>1,600</u>

The components of the Group's income tax expenses (benefit) recognized in other comprehensive income (loss) were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	<u>\$ 394</u>	<u>310</u>	<u>(790)</u>	<u>249</u>

2. Assessment of income tax

The Company's income tax returns for the years through 2022 were assessed and approved by the Tax Authority.

(m) Capital and other equity

Except for the following disclosures, there was no significant change for capital and other equity for the nine months ended September 30, 2025 and 2024. For other related information, please refer to Note 6(m) of the consolidated financial statements for the year ended December 31, 2024.

1. Capital surplus

The components of the capital surplus were as follows:

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Share premium from issuance of share capital	\$ -	12,047	12,047

In accordance with the ROC company Act, realized capital surplus can only be reclassified as share capital or distributed as cash dividends after offsetting a deficit. The aforementioned realized capital surplus includes share premiums and donation gains. In accordance with the securities offering and Issuance Guidelines, the amount of capital surplus that can be capitalized shall not exceed 10% of the total actual share capital amount.

2. Retained earnings

The Company's articles of incorporation require that the current year's earnings, if any, shall first pay taxes and make up for accumulated losses over the years, and then set aside 10% as the legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. The special capital reserve shall be allocated or converted according to laws or regulations or as requested by business. Any remaining surplus shall be added to the accumulated undistributed earnings of the previous years. The Board of Directors may prepare a proposal for its distribution, and if new shares are to be issued as the form of distribution, the proposal shall be submitted to the shareholders meeting for resolution before the distribution. The Company authorizes the distributable dividends and bonuses, or legal reserve (reserve which exceeds 25 percent of the paid-in capital) and capital reserve as stipulated in Company Act, in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company's Shareholders' Meeting resolved to offset the 2024 and 2023 accumulated deficits on May 22, 2025 and June 13, 2024, respectively, were as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Offset accumulated deficits:		
Capital surplus used to offset accumulated deficits	\$ 12,047	70,112

The information on prior year's distribution of the Company's earnings were announced through the Market Observation Post System website.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

3. Other equity (net of taxes)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income
Balance at January 1, 2025	\$ 47,629	(161,404)
Disposal of financial assets at fair value through other comprehensive income	-	(1,483)
Exchange differences on foreign operations	(3,164)	-
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	14,576
Balance at September 30, 2025	<u>\$ 44,465</u>	<u>(148,311)</u>
Balance at January 1, 2024	\$ 44,501	(162,994)
Disposal of financial assets at fair value through other comprehensive income	-	(561)
Exchange differences on foreign operations	4,071	-
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	4,412
Balance at September 30, 2024	<u>\$ 48,572</u>	<u>(159,143)</u>

(n) Earnings per share

The following were the calculation of basic earnings (losses) per share and diluted earnings (losses) per share:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Profit (Loss) attributable to ordinary shares holders of the Company (Basic/Diluted)	<u>\$ 702</u>	<u>(11,220)</u>	<u>(20,378)</u>	<u>(44,530)</u>
Weighted-average number of outstanding ordinary shares (Basic/Diluted) (thousand shares)	<u>62,366</u>	<u>62,366</u>	<u>62,366</u>	<u>62,366</u>
Basic/Diluted earnings (losses) per share (NT dollars)	<u>\$ 0.01</u>	<u>(0.18)</u>	<u>(0.33)</u>	<u>(0.71)</u>

The Group did not list the diluted (losses) earnings per share, because the Group incurred net loss after tax for the nine months ended September 30, 2025 and 2024.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(o) Revenue from contracts with customers

1. Disaggregation of revenue

	<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>
Primary geographical markets:				
Taiwan	\$ 81,511	84,760	249,994	228,347
Czech Republic	10,939	21,307	37,510	63,011
Singapore and Malaysia	6,232	6,586	23,015	23,619
Japan	-	608	5,253	38,146
Other countries	9,162	5,733	23,570	11,855
	<b>\$ 107,844</b>	<b>118,724</b>	<b>339,342</b>	<b>364,978</b>
Major products:				
Sales of products	\$ 100,481	114,104	318,791	340,364
Rendering of services	7,363	4,620	20,551	24,614
	<b>\$ 107,844</b>	<b>118,724</b>	<b>339,342</b>	<b>364,978</b>

2. Contract balances

	<b>September 30,</b>	<b>December 31,</b>	<b>September 30,</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Notes and accounts receivable	\$ 61,655	40,090	61,102
Less: Loss allowance	(1,418)	(984)	(1,475)
Total	<b>\$ 60,237</b>	<b>39,106</b>	<b>59,627</b>
Contract assets	\$ 3,492	2,313	1,799
Less: Loss allowance	(184)	(116)	(90)
Total	<b>\$ 3,308</b>	<b>2,197</b>	<b>1,709</b>
Contract liabilities	<b>\$ 22,631</b>	<b>19,405</b>	<b>15,027</b>

For details on notes and accounts receivable and allowance for impairment, please refer to Note 6(c).

The amounts of revenue recognized for the three and the nine months ended September 30, 2025 and 2024, that were included in the contract liability balance at the beginning of the period were \$7, \$2,163, \$14,069, and \$6,647, respectively.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation that the Group derived from the transfer of a good or service to the customer to be satisfied and the payment to be received.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(p) Remuneration of employees and directors

The Articles of Incorporation was amended and approved by the Shareholders Meeting on May 22, 2025. In accordance with revised Articles of Incorporation, if the Company has a profit of the year shall distribute not less than 3% of the balance as remuneration to employees (with at least 25% of this amount designated for grass-root employees) and not more than 3% to directors of the corporation. However, require that earnings shall first be offset against any deficit. In the preceding paragraphs distributed in the form of cash or in shares; the qualification requirements including the employees of subsidiaries of the company. The previous version of Articles of Incorporation, if the Company has a profit of the year shall distribute not less than 3% of the balance as remuneration to employees and not more than 3% to directors of the corporation. However, require that earnings shall first be offset against any deficit. In the preceding paragraphs distributed in the form of cash or in shares; the qualification requirements including the employees of subsidiaries of the company. The conditions and measures set by the Board of Directors.

The Group had losses before tax for the nine months ended September 30, 2025 and 2024, and thus, the Group did not accrue any remuneration to its employees and directors.

The Group had losses before tax for the year ended December 31, 2024 and 2023, and thus, the Group did not accrue any remuneration to its employees and directors. As a result, there was no difference between the estimated and actual distribution. Related information would be available at the Market Observation Post System website.

(q) Non-operating income and expenses

1. Interest income

The details of interest income were as follows:

	<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>
Interest income				
Bank deposits	\$ 178	407	790	3,140
Others	1,456	825	4,194	1,616
	<b>\$ 1,634</b>	<b>1,232</b>	<b>4,984</b>	<b>4,756</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2. Other income

The details of other income were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Rental income	\$ 2,069	2,115	6,142	6,305
Dividend income	1,665	1,050	1,665	1,050
Others	239	384	248	477
	<b>\$ 3,973</b>	<b>3,549</b>	<b>8,055</b>	<b>7,832</b>

3. Other gains and losses

The details of other gains and losses were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Foreign exchange gains (losses)	\$ 2,510	(260)	(8,937)	6,955
Gains on modification of lease	-	-	70	53
Gains on disposal of property, plant and equipment	-	46	-	46
Others	(224)	(92)	(729)	(513)
	<b>\$ 2,286</b>	<b>(306)</b>	<b>(9,596)</b>	<b>6,541</b>

4. Finance costs

The details of finance costs were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest expenses				
Bank borrowings	\$ 50	31	319	268
Others	124	92	386	200
	<b>\$ 174</b>	<b>123</b>	<b>705</b>	<b>468</b>

(r) Financial instruments

Except for the following disclosures, there were no significant changes in the Group's fair value of financial instruments exposed to credit risk, liquidity risk and market risk. For other related information, please refer to Note 6(r) of the consolidated financial statements for the year ended December 31, 2024.

1. Credit risk

(1) Receivables and equity instruments of credit risk

For credit risk exposure of notes and accounts receivable, please refer to Note 6(c).

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Other financial assets at amortized cost includes other receivables. For the details of loss allowance, please refer to Note 6(d).

Equity instruments at fair value through other comprehensive income include stocks listed and not listed on domestic market. For the details of investments and loss allowance, please refer to Note 6(b).

**2. Liquidity risk**

The following are the contractual maturities of financial liabilities of the Group, including the impact of netting arrangements.

	Carrying amount	Contractual cash flows	Within 6 months	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
<b>September 30, 2025</b>							
Non-derivative financial liabilities							
Accounts payable	\$ 55,135	55,135	55,135	-	-	-	-
Other payables	50,206	50,206	50,206	-	-	-	-
Lease liabilities	16,268	17,397	1,896	1,989	3,663	9,404	445
Receipts under custody (reported as other current liabilities)	2,595	2,595	2,595	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	3,518	3,518	1,637	177	847	857	-
	<b>\$ 127,722</b>	<b>128,851</b>	<b>111,469</b>	<b>2,166</b>	<b>4,510</b>	<b>10,261</b>	<b>445</b>
<b>December 31, 2024</b>							
Non-derivative financial liabilities							
Accounts payable	\$ 45,627	45,627	45,627	-	-	-	-
Other payables	48,229	48,229	48,229	-	-	-	-
Lease liabilities	21,672	23,259	2,478	2,575	5,150	11,147	1,909
Receipts under custody (reported as other current liabilities)	1,188	1,188	1,188	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	4,079	4,079	1,294	146	848	1,791	-
	<b>\$ 120,795</b>	<b>122,382</b>	<b>98,816</b>	<b>2,721</b>	<b>5,998</b>	<b>12,938</b>	<b>1,909</b>
<b>September 30, 2024</b>							
Non-derivative financial liabilities							
Accounts payable	\$ 95,877	95,877	95,877	-	-	-	-
Other payables	29,306	29,306	29,306	-	-	-	-
Lease liabilities	11,915	12,846	1,905	1,605	3,209	6,007	120
Receipts under custody (reported as other current liabilities)	1,184	1,184	1,184	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	4,732	4,732	1,049	922	147	2,614	-
	<b>\$ 143,014</b>	<b>143,945</b>	<b>129,321</b>	<b>2,527</b>	<b>3,356</b>	<b>8,621</b>	<b>120</b>

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

3. Market risk

(1) Currency risk

The Group's exposure to significant currency risks from its foreign currency denominated financial assets and liabilities were as follows:

<b>September 30, 2025</b>			
<u>Foreign currency</u>	<u>(In thousands)</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 5,435	USD : TWD 30.4575	165,537
	59	USD : CNY 7.1304	421
CNY	30	CNY : TWD 4.2715	128
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	699	USD : TWD 30.4575	21,290
<b>December 31, 2024</b>			
<u>Foreign currency</u>	<u>(In thousands)</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 4,558	USD : TWD 32.7350	149,206
	44	USD : CNY 7.3118	322
CNY	8	CNY : TWD 4.4770	36
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	910	USD : TWD 32.7350	29,788
<b>September 30, 2024</b>			
<u>Foreign currency</u>	<u>(In thousands)</u>	<u>Exchange rate</u>	<u>TWD</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 5,125	USD : TWD 31.6300	162,104
	9	USD : CNY 6.9731	285
CNY	15	CNY : TWD 4.5360	68
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	1,053	USD : TWD 31.6300	33,306

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, accounts payable and other payables, etc. that are denominated in foreign currency. A 0.5% appreciation or depreciation of the NTD against the USD and CNY as of September 30, 2025 and 2024, and assumes all other variables factors that remain constant, would have decreased or increased the net loss after tax for the nine months ended September 30, 2025 and 2024 by \$724 and \$646, respectively. The analysis is performed on the same basis for both periods.

(2) Foreign exchange gain and loss on monetary items

The exchange gains (losses) of Group's monetary items (included realized and unrealized) converted into the functional currency amount, and converted to the parent company's functional currency Taiwan Dollar exchange rate information were as follows:

	For the nine months ended September 30,			
	2025		2024	
	Foreign exchange gains (losses)	Average exchange rate	Foreign exchange gains (losses)	Average exchange rate
TWD	\$ (8,963)	1.000	6,830	1.000
CNY	26	4.3743	125	4.4270

4. Interest risk

The interest rate exposure of the Group's financial assets and liabilities is described in Note on liquidity risk management.

The following sensitivity analysis is based on the risk exposure to the interest rate. For variable rate of assets and liabilities, the sensitivity analysis assumes are outstanding amount from the reporting date until the maturity.

The Group's financial assets and liabilities in invariable rate for the nine months ended September 30, 2025 and 2024.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

5. Fair value of financial instruments.

(1) Fair value hierarchy

The Group's financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	<b>September 30, 2025</b>				
	<b>Book Value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic and foreign stocks of listed companies	\$ 43,337	43,337	-	-	43,337
Unquoted equity instruments measured at fair value	4,646	-	-	4,646	4,646
Subtotal	47,983	43,337	-	4,646	47,983
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	234,944	-	-	-	-
Notes receivable, accounts receivable and other receivables	87,054	-	-	-	-
Other financial assets	68,496	-	-	-	-
Subtotal	390,494	-	-	-	-
Total	<b>\$ 438,477</b>	<b>43,337</b>	<b>-</b>	<b>4,646</b>	<b>47,983</b>
<b>Financial liabilities at amortized cost</b>					
Notes payable, accounts payable and other payables	\$ 105,341	-	-	-	-
Lease liabilities	16,268	-	-	-	-
Receipts under custody (reported as other current liabilities)	2,595	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	3,518	-	-	-	-
Total	<b>\$ 127,722</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	December 31, 2024				
	Fair Value				
	Book Value	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through other comprehensive income</b>					
Unquoted equity instruments measured at fair value	\$ 36,886	-	-	36,886	36,886
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	255,826	-	-	-	-
Notes receivable, accounts receivable and other receivables	61,388	-	-	-	-
Other financial assets	68,803	-	-	-	-
Subtotal	386,017	-	-	-	-
Total	<b>\$ 422,903</b>	-	-	<b>36,886</b>	<b>36,886</b>
<b>Financial liabilities at amortized cost</b>					
Notes payable, accounts payable and other payables	\$ 93,856	-	-	-	-
Lease liabilities	21,672	-	-	-	-
Receipts under custody (reported as other current liabilities)	1,188	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	4,079	-	-	-	-
Total	<b>\$ 120,795</b>	-	-	-	-

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	September 30, 2024				
	Fair Value				
	Book Value	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through other comprehensive income</b>					
Unquoted equity instruments measured at fair value	\$ 39,324	-	-	39,324	39,324
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	253,839	-	-	-	-
Notes receivable, accounts receivable and other receivables	82,261	-	-	-	-
Other financial assets	56,936	-	-	-	-
Subtotal	393,036	-	-	-	-
Total	<b>\$ 432,360</b>	<b>-</b>	<b>-</b>	<b>39,324</b>	<b>39,324</b>
<b>Financial liabilities at amortized cost</b>					
Notes payable, accounts payable and other payables	\$ 125,183	-	-	-	-
Lease liabilities	11,915	-	-	-	-
Receipts under custody (reported as other current liabilities)	1,184	-	-	-	-
Guarantee deposits received (reported as other non-current liabilities)	4,732	-	-	-	-
Total	<b>\$ 143,014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

(2.1) Non-derivative financial instruments

The fair value of financial instruments is evaluated by using the valuation technique or prices of comparable peers that are publicly traded. The fair value acquired through valuation technique may refer to other financial instruments with substantially similar conditions and characteristics, discounted cash flow analysis or other valuation technique, including the market information can be obtained on the consolidated balance sheet date and calculated using the model.

The stocks, drafts and bonds of listed companies are financial assets and liabilities with standard terms and conditions which are traded in the active markets. Their fair values are based on the quoted market prices.

For equity instruments that have no quoted prices, the comparable listed companies' method is used to estimate their fair values. The main assumption for the model is the earnings before interests, taxes, depreciation and amortization, and the earnings multiplier derived from comparable listed companies. The estimate has adjusted the impact of the lack of market liquidity of the equity securities.

Financial instruments traded in active markets are based on quoted market prices. A quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a basis to determine the fair value of the listed companies' equity and debt instruments, as it is a quoted price in an active market.

If quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have quoted price in active market. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without quoted price in active market. In general, market with low trading volume or high bid-ask spreads is an indication of non-active market.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(3) Transfers between level 1 and level 2

There were no transfers between level 1 and level 2 of the fair value for the nine months ended September 30, 2025 and 2024.

(4) Reconciliation of level 3 fair value

	<b>Fair value through other comprehensive income</b>
	<b>Unquoted equity instruments</b>
<b>Balance as of January 1, 2025</b>	\$ 36,886
Total gains and losses recognized:	
In other comprehensive income	(211)
Effect of movements in exchange rate	(616)
Transferred out of Level 3	(31,413)
<b>Balance as of September 30, 2025</b>	<b>\$ 4,646</b>
<b>Balance as of January 1, 2024</b>	\$ 35,359
Total gains and losses recognized:	
In other comprehensive income	4,412
Disposals	(1,101)
Effect of movements in exchange rate	654
<b>Balance as of September 30, 2024</b>	<b>\$ 39,324</b>

The Group held common shares of HUSHAN Autoparts Inc. as financial assets measured at fair value through other comprehensive income. Due to the absence of an active market quotation and the application of significant unobservable inputs in the fair value measurement, the investment was categorized within Level 3 of the fair value hierarchy. The shares of HUSHAN Autoparts Inc. officially listed and traded in March 2025. Accordingly, the fair value measurement was reclassified from Level 3 to Level 1.

For the nine months ended September 30, 2025 and 2024, total gains and losses included in “unrealized gains and losses from equity instruments at fair value through other comprehensive income” were as follows:

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Total gains and losses recognized				
In other comprehensive income, and presented in “unrealized gains and losses from equity instruments at fair value through other comprehensive income”	<b>\$ 297</b>	<b>3,148</b>	<b>(211)</b>	<b>4,412</b>

- (5) The quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value include “financial assets measured at fair value through other comprehensive income – equity instruments”.

The Group’s financial assets at fair value through other comprehensive income – equity instruments without an active market have more than one significant unobservable input. The significant unobservable inputs of financial assets at fair value through other comprehensive income – equity instruments without an active market are individually independent, and there is no correlation between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation Technique	Significant Non-observable Input	The Relationship between Significant Non-observable Input and Fair Value
Financial assets at fair value through other comprehensive income - investment in equity instruments without an active market	Comparable listed companies’ method	·Multiplier of price-to-book ratio (As of September 30, 2025, December 31, 2024 and September 30, 2024 were 1.89~4.44, 1.67~4.36 and 2.25~4.62) ·Market illiquidity discount (As of September 30, 2025, December 31, 2024 and September 30, 2024 were all 15%~20%)	·The higher the price-book ratio multiple and the premium of control, the higher the fair value. ·The higher the illiquidity discount rate, the lower the fair value.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(6) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's fair value measurement on financial instruments is reasonable. The measurement would differ if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters are changed, the impact on net income or loss and other comprehensive income or loss were as follows:

		<b>Impact of Fair Value Change on Other Comprehensive Income or Loss</b>			
		<b>Input</b>	<b>Variation</b>	<b>Favorable Change</b>	<b>Unfavorable Change</b>
<b>September 30, 2025</b>					
Financial assets at fair value through other comprehensive income					
Investment in equity instruments without an active market	Multiplier of price-to-book ratio	5%	\$ 232	(232)	
Investment in equity instruments without an active market	Market illiquidity discount	5%	290	(290)	
			<b>\$ 522</b>	<b>(522)</b>	
<b>December 31, 2024</b>					
Financial assets at fair value through other comprehensive income					
Investment in equity instruments without an active market	Multiplier of price-to-book ratio	5%	\$ 1,844	(1,844)	
Investment in equity instruments without an active market	Market illiquidity discount	5%	2,305	(2,305)	
			<b>\$ 4,149</b>	<b>(4,149)</b>	
<b>September 30, 2024</b>					
Financial assets at fair value through other comprehensive income					
Investment in equity instruments without an active market	Multiplier of price-to-book ratio	5%	\$ 1,965	(1,965)	
Investment in equity instruments without an active market	Market illiquidity discount	5%	2,457	(2,457)	
			<b>\$ 4,422</b>	<b>(4,422)</b>	

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The favorable change and unfavorable change refer to the fluctuation of fair value. The fair value is calculated based on the different levels of unobservable inputs. The table above shows the impact on single input. Therefore, the relations and variations between inputs are not considered.

(s) Financial risk management

There were no significant changes in the Group's objectives and policies applied in the financial risk management as compared to Note 6(s) of the consolidated financial statements for the year ended December 31, 2024.

(t) Capital management

The Group's objectives, policies and processes for capital management were consistent with the consolidated financial statements for the year ended December 31, 2024. There were no significant changes in the quantified factors of capital management as compared to the consolidated financial statements for the year ended December 31, 2024. For other information about the capital management, please refer to Note 6(t) of the consolidated financial statements for the year ended December 31, 2024.

(u) Investing and financing activities not effecting current cash flow

Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes		September 30, 2025
			Other	Foreign exchange movement	
Lease liabilities	\$ 21,672	(2,659)	(2,604)	(141)	16,268

	January 1, 2024	Cash flows	Non-cash changes		September 30, 2024
			Other	Foreign exchange movement	
Lease liabilities	\$ 8,064	(2,916)	6,456	311	11,915

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related Party Transactions**

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Inventec Corporation	The entity with significant influence over the Group
Inventec Appliances Corp.	Other related parties
Inventec (Pudong) Technology Corp.	"
SQ Technology (Shanghai) Corporation	"
AIMobile Co., Ltd.	"
Invenext System Co., Ltd.	"
Inventec (Chongqing) Corporation	"
Inventec Electronics (Thailand) Co., Ltd.	"
Inventec Technology (Singapore) Pte., Ltd.	"

(b) Significant transactions with related parties

1. Sales revenue

The amounts of significant sales by the Group to related parties were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Associates	\$ 756	1,239	3,897	9,766
Other related parties	437	84	1,774	857
	<b>\$ 1,193</b>	<b>1,323</b>	<b>5,671</b>	<b>10,623</b>

Prices for the sales above were negotiated, the sale prices are not similar transaction compared with. The collection terms are net 30 to 90 days.

2. Purchase

The amounts of purchases by the Group from related parties were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Associates	\$ -	7,575	-	7,905
Other related parties	4,320	15	4,564	636
	<b>\$ 4,320</b>	<b>7,590</b>	<b>4,564</b>	<b>8,541</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Prices for the purchase above were negotiated, the purchase prices are not similar transaction compared with. The payment terms are under conditions of purchase.

3. Receivables from related parties

The receivables by the Group from related parties were as follows:

<b>Financial statement account</b>	<b>Related party categories</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accounts receivable	Associates	\$ 401	1,039	1,380
"	Other related parties	113	434	88
Other receivables	Associates (Note)	6,410	28	-
"	Inventec Electronics (Thailand) Co., Ltd. (Note)	4,812	-	-
		<b>\$ 11,736</b>	<b>1,501</b>	<b>1,468</b>

Note : In performing purchases on behalf of others, it is not exposed to significant risks and rewards associated with the sales of goods or the rendering of services. Accordingly, the related revenue and costs were offset and presented on a net basis in revenue at the time of sales.

4. Payables to related parties

The payables by the Group to related parties were as follows:

<b>Financial statement account</b>	<b>Related party categories</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accounts payable	Other related parties	\$ 4,536	398	14
Other payables	Associates	232	8	7
		<b>\$ 4,768</b>	<b>406</b>	<b>21</b>

5. Operating expenses

<b>Financial statement account</b>	<b>Related party categories</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>
Other expense	Associates	<b>\$ 665</b>	<b>2,955</b>	<b>3,411</b>	<b>3,020</b>

6. Others

(1) The Group paid \$1,424, \$741 and \$750 to its other related parties for the refundable deposits as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(2) The Group paid \$240, \$237 and \$237 to its associates for the guaranteed notes in deposit as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

7. Leases

The Group rented an office building from Inventec Corporation. The rental fee is determined based on office rental rates nearby. For the three and the nine months ended September 30, 2025 and 2024, the Group recognized the amount of \$28, \$1, \$86 and \$8 as interest expense, respectively. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of lease liabilities amounted to \$4,751, \$5,386 and \$279, respectively.

The Group rented an IDC from Inventec Corporation. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. For the three and the nine months ended September 30, 2025 and 2024, the Group recognized the amount of \$14, \$1, \$43 and \$5 as interest expense, respectively. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of lease liabilities amounted to \$2,362, \$2,677 and \$119, respectively.

(c) Key management personnel compensation

Key management personnel compensation include:

	<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>
Short-term employee benefits	\$ 1,095	3,894	8,895	11,582
Post-employment benefits	54	54	162	162
	<b>\$ 1,149</b>	<b>3,948</b>	<b>9,057</b>	<b>11,744</b>

(8) Pledged Assets

The carrying values of pledged assets were as follows:

<b>Pledged assets</b>	<b>Object</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Refundable deposits (reported as other current financial assets)	Performance bond	\$ 14,221	13,594	16,277
Refundable deposits (reported as other non-current financial assets)	Performance bond	5,604	4,699	3,901
Restricted assets (reported as other non-current financial assets)	Customs duty guarantee	2,000	2,000	2,000
		<b>\$ 21,825</b>	<b>20,293</b>	<b>22,178</b>

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(9) Significant Commitments and Contingencies**

(a) Major commitments:

1. Promissory notes issued for bank credit and lease, were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes issued as guarantee	<u>\$ 271,747</u>	<u>271,934</u>	<u>311,934</u>

2. For part of the material royalty contracts, the Group paid based on sales volume and minimum guaranteed payment, were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
TWD	<u>\$ 782</u>	<u>424</u>	<u>754</u>
USD (thousands)	<u>\$ 33</u>	<u>35</u>	<u>41</u>

3. Amount of sales contract that has been promised and undelivered, were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Amounts of promised sales with undelivered goods	<u>\$ 67,567</u>	<u>35,524</u>	<u>55,311</u>

4. Amount of purchase contract that has been signed and unreceived, were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Amount of promised purchase with unreceived goods	<u>\$ 38,971</u>	<u>31,138</u>	<u>48,704</u>

5. Amount of sales contracts of an agent that has been promised, were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
USD (thousands)	<u>\$ 20,770</u>	<u>20,770</u>	<u>-</u>
TWD	<u>\$ 20,582</u>	<u>23,674</u>	<u>826,970</u>

In performing purchases on behalf of others, the Group acts as the nature of an agent determined the substance of the transaction since it is not exposed to significant risks and rewards associated with the sales of goods or the rendering of services.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

6. Amount of purchase contracts of an agent that has been promised, were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
USD (thousands)	\$ 18,486	18,486	-
TWD	\$ 7,884	21,594	-

In performing purchases on behalf of others, the Group acts as the nature of an agent determined the substance of the transaction since it is not exposed to significant risks and rewards associated with the sales of goods or the rendering of services.

7. As of September 30, 2025, December 31, 2024 and September 30, 2024, the guarantee notes received for stock up and engineering projects amounted to \$3,229, \$10,664 and \$10,664, respectively.

(b) Contingencies: None.

**(10) Losses Due to Major Disasters: None.**

**(11) Subsequent Events: None.**

**(12) Others**

(a) The employee benefits, depreciation, depletion and amortization expenses categorized by function were as follows:

By function  By item	For the three months ended September 30,					
	2025			2024		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee benefits						
Salary	980	23,654	24,634	1,024	23,166	24,190
Labor and health insurance	135	2,043	2,178	122	1,980	2,102
Pension	78	1,455	1,533	72	1,793	1,865
Others	9	675	684	8	1,333	1,341
Depreciation	945	1,329	2,274	1,442	2,001	3,443
Amortization	-	1,014	1,014	60	832	892

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

By function  By item	For the six months ended September 30,					
	2025			2024		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee benefits						
Salary	3,080	70,680	73,760	2,800	71,621	74,421
Labor and health insurance	384	6,284	6,668	349	6,244	6,593
Pension	220	5,002	5,222	207	5,405	5,612
Others	28	1,936	1,964	22	4,187	4,209
Depreciation	3,124	4,216	7,340	4,145	6,397	10,542
Amortization	41	3,285	3,326	181	2,363	2,544

**(13) Other Disclosures**

(a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the nine months ended September 30, 2025:

1. Loans to other parties: None.
2. Guarantees and endorsements for other parties: None.
3. Securities held as balance sheet data (excluding investment in subsidiaries, associates, and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Notes
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Inventec Solar Energy Corporation	Other related parties	Non-current financial assets at fair value through other comprehensive income	15,450,000	-	4.78%	-	
"	HUSHAN Autoparts Inc.	-	"	468,000	43,337	0.62 %	43,337	
Besta Digital Technology Co., Ltd.	Anhui Raise Victa Technology Co., Ltd.	Other related parties	"	494,506	4,646	9.00 %	4,646	

4. Related-party transactions for purchases and sales with amounts exceeding the lower of TWD100 million or 20% of the capital stock: None.
5. Receivables from related parties with amounts exceeding the lower of TWD\$100 million or 20% of capital stock: None.
6. Business relationships and significant intercompany transactions: None.

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of the investor	Name of investee	Location	Main businesses and products	Initial investment amount		Ending balance			Net income (loss) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Ratio of shares	Book value			
The Company	Inventec Besta (BVI) Co., Ltd.	B.V.I.	Investment management	288,170	288,170	9,300,000	100.00%	6,555	(1,383)	(2,670)	Subsidiary
"	Besta (Cayman) Co., Ltd.	Cayman	"	1,085,688	1,085,688	900,000	100.00%	66,316	(361)	(361)	Subsidiary

Note 1: The aforementioned intercompany transactions have been eliminated in the consolidated financial statements.

Note 2: If aforementioned amount is related to foreign currency, it would be expressed in New Taiwan Dollar at exchange rate of reporting date. The amount of foreign currency of investment income (loss) is expressed in New Taiwan Dollar at average exchange rate.

(c) Information on investment in Mainland China:

i. The following is the information on investees:

(In Thousands of New Taiwan Dollars)

Name of investee	Main business and product	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Out-flow	Inflow						
Inventec Besta (Xi' An) Co., Ltd.	Design, research, produce and sell of calculators electronic products	197,974	(2)	187,314	-	-	187,314	(1,336)	100.00%	(1,336)	7,174	-
Besta Digital Technology Co., Ltd.	Sale of electronic dictionaries and PDA-related products	365,490	(2)	365,490	-	-	365,490	(340)	100.00%	(340)	66,026	-

ii. Limitation on investment in Mainland China:

Unit : Share

Name of Company	Accumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Inventec Besta Co., Ltd.	1,537,651	1,537,651	276,949

Note 1: There are three modes of investments as following:

- (a) Directly invest in China Company.
- (b) Invest in China Company by the company which set up in third area by the Company.
- (c) Others.

Note 2: The base of recognition of investment income (loss) is the financial statement reviewed by CPA or prepared by company of the investee company.

## INVENTEC BESTA CO., LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 3: In the above table, all relevant amounts are disclosed in New Taiwan Dollar. If aforementioned amount is related to foreign currency, it would be expressed in New Taiwan Dollar at exchange rate of reporting date. The amount of foreign currency of investment income (loss) is expressed in financial statement average exchange rate.

Note 4: The accumulated investment in Mainland China and investment amounts authorized by Investment Commission, MOEA, in accordance with the regulation of amended limitation calculation of Investment Commission on August 29, 2008, MOEA (IDB) committed the Company were in the scope of operating headquarter; therefore, there is no need to calculate the limitation. If the Company has additional investments in the Mainland China in the future, pursuant to the Regulations Governing Permission for Investment and Technical Cooperation in the mainland area, the upper limit on investment is higher of 60% of net value or consolidated net value, and the accumulated investment was recalculated to determine whether the investment exceeds the limit. The originally approved investment in Mainland China shall not be recalculated.

Note 5: Golden Electronics China Co., Ltd., iSing Music Technology (Beijing) Co., Ltd. and Besta (Kunshan) Co., Ltd. were liquidated in 2004, 2018 and 2023, respectively, wherein liquidation procedures had been approved by the Investment Commission, MOEA. Since the companies have no capital to be remitted back to their parent companies in Taiwan after the liquidation process, the initial investment of the companies amounting to \$304,575, \$411,176 and \$269,096, respectively, have already been included in the Accumulated Investment in Mainland China.

Note 6: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 7: The boards of directors resolved to dissolve Besta (Kunshan) Co., Ltd. on June 27, 2022, and the liquidation process was completed on July 10, 2023.

Note 8: Besta (Kunshan) Co., Ltd. has been liquidated, and the remaining funds \$5,064 remitted back to Taiwan on September 27, 2023, wherein the liquidation procedures had been approved by the Investment Commission, MOEA.

#### iii. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China for the nine months ended September 30, 2025, which were eliminated in the preparation of consolidated financial statement: None.

#### (14) Segment Information

##### (a) General information

The Group's reportable segments are Taiwan department. Taiwan department leads the development of the Group's products and is responsible for sales in Taiwan.

##### (b) Information about reportable segments and their measurement and reconciliations

The classification of the Group's reportable segments is based on sales regions and the function. There was no material differences between the accounting policies of the operating segment and the accounting policies described in Note 4. The Group's regional financial information for the three and the nine months ended September 30, 2025 and 2024, were as follows:

**INVENTEC BESTA CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	For the three months ended September 30, 2025			
	Taiwan department	Other department	Adjustment and elimination	Total
<b>Revenue:</b>				
External customers	\$ 104,600	4,932	(1,688)	107,844
Inter-company revenue	-	1,718	(1,718)	-
<b>Total revenue</b>	<b>\$ 104,600</b>	<b>6,650</b>	<b>(3,406)</b>	<b>107,844</b>
<b>Reportable segment profit (loss)</b>	<b>\$ 702</b>	<b>1,423</b>	<b>(1,423)</b>	<b>702</b>

	For the three months ended September 30, 2024			
	Taiwan department	Other department	Adjustment and elimination	Total
<b>Revenue:</b>				
External customers	\$ 116,991	2,805	(1,072)	118,724
Inter-company revenue	-	1,052	(1,052)	-
<b>Total revenue</b>	<b>\$ 116,991</b>	<b>3,857</b>	<b>(2,124)</b>	<b>118,724</b>
<b>Reportable segment profit (loss)</b>	<b>\$ (11,220)</b>	<b>(1,818)</b>	<b>1,818</b>	<b>(11,220)</b>

	For the nine months ended September 30, 2025			
	Taiwan department	Other department	Adjustment and elimination	Total
<b>Revenue:</b>				
External customers	\$ 334,250	8,990	(3,898)	339,342
Inter-company revenue	-	3,696	(3,696)	-
<b>Total revenue</b>	<b>\$ 334,250</b>	<b>12,686</b>	<b>(7,594)</b>	<b>339,342</b>
<b>Reportable segment profit (loss)</b>	<b>\$ (20,378)</b>	<b>(3,421)</b>	<b>3,421</b>	<b>(20,378)</b>

	For the nine months ended September 30, 2024			
	Taiwan department	Other department	Adjustment and elimination	Total
<b>Revenue:</b>				
External customers	\$ 360,592	8,400	(4,014)	364,978
Inter-company revenue	-	4,268	(4,268)	-
<b>Total revenue</b>	<b>\$ 360,592</b>	<b>12,668</b>	<b>(8,282)</b>	<b>364,978</b>
<b>Reportable segment profit (loss)</b>	<b>\$ (44,530)</b>	<b>(4,678)</b>	<b>4,678</b>	<b>(44,530)</b>