

**DFI Inc. and Its Subsidiaries**  
**Consolidated Financial Statements and**  
**Independent Auditors' Review Report**  
**For the nine months ended September 30, 2025 and 2024**

This is the translation of the financial statements. CPAs do not review on this translation,

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**Telephone: (02) 26972986**

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. The translation is not prepared by the independent auditor. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

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## **Independent Auditors' Review Report**

The Board of Directors and Shareholders DFI Inc.:

### **Foreword**

We have reviewed the accompanying consolidated balance sheet as of September 30, 2025 and 2024 of DFI Inc. and its subsidiaries (hereinafter collectively the "Group"), the consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, the consolidated statement of changes in equity, the consolidated statement of cash flows, and the notes to the consolidated financial report (including the summary of significant accounting policies) for the nine months ended September 30, 2025 and 2024. It is the responsibility of the management to prepare fair presentation consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. The responsibility of the CPAs is to draw conclusions on the consolidated financial report based on the results of their review.

### **Scope**

We conducted our reviews in accordance with SRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." Except for the effects of the matter(s) described in the Basis for Qualified Conclusion paragraph. 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 generally accepted auditing standards 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 IV (II) to the consolidated financial statements, its certain insignificant subsidiaries of DFI Inc. have been included in the aforesaid consolidated financial statements based on the financial statements of these invested companies were not reviewed by the independent auditors for the same period. As of September 30, 2025, and 2024, the total assets of NTD (the same below) 473,482 thousand and NTD756,652 thousand respectively, representing 4.00% and 6.33% of total consolidated assets respectively; and total liabilities of NTD104,262 thousand and NTD73,353 thousand respectively, representing 1.70% and 1.12% of total consolidated liabilities respectively; and its absolute values of total comprehensive income (loss) of NTD23,598 thousand, NTD29,259 thousand, NTD26,821 thousand, and NTD40,379 thousand respectively for the three months ended September 30, 2025, for the three months ended September 30, 2024, for the nine months ended September 30, 2025,

and for the nine months ended September 30, 2024, representing 13.51%, 17.65%, 7.93%, and 12.70% of absolute values consolidated comprehensive income (loss) respectively.

Except as described in the preceding paragraph, as stated in Note VI(VII) of the consolidated financial report, the Company and its subsidiaries had investments accounted for using the equity method amounting to NTD262,995 thousand as of September 30, 2025. The share of profit (loss) of associates accounted for using the equity method from July 1 to September 30, 2025 and from January 1 to September 30, 2025, was (NTD292) thousand and (NTD956) thousand, respectively, based on the financial reports of the investee companies for the same period, which were not reviewed by accountants.

### **Qualified Conclusion**

Based on our reviews, except for possible effects from financial statements of these insignificant subsidiaries and investee companies mentioned in the paragraph titled "Basis for Qualified Conclusion" if they were reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months ended September 30, 2025, for the three months ended September 30, 2024, for the nine months ended September 30, 2025, and for the nine months ended September 30, 2024, and its consolidated cash flows for the nine months ended September 30, 2025, and for the nine months ended September 30, 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34 "Interim Financial Reporting", which have been endorsed by the Financial Supervisory Commission and put into effect.

KPMG Taiwan

CPA:

Assurance Document	:	Jin-Guan-Zheng-Shen-Zi No.
Number Approved by	:	1060005191
Securities Authority	:	(88) Tai-Cai-Zheng (VI) No. 18311
November 3, 2025		

#### Notes to Reader

The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' review report and the accompanying 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 financial statements, the Chinese version shall prevail.

**DFI Inc. and Its Subsidiaries**  
**Consolidated Balance Sheet**  
**September 30, 2025, December 31, 2024, and September 30, 2024**  
**Unit: In Thousands of New Taiwan Dollars**

	2025.9.30		2024.12.31		2024.9.30		
	Amount	%	Amount	%	Amount	%	
<b>Assets</b>							
<b>Current assets:</b>							
1100	Cash and cash equivalents (Note VI (I))	\$ 2,155,736	18	2,512,850	21	2,469,074	21
1110	Financial assets measured at fair value through profit or loss - current (Notes VI (II))	23,988	-	28,351	-	35,752	-
1136	Financial assets measured at amortized cost - current (Notes VI (IV) & VIII)	20,380	-	2,726	-	2,726	-
1141	Contract assets - current (Note VI (XXIII))	18,659	-	11,383	-	12,070	-
1170	Net of notes receivable and accounts receivable (Notes VI (V), (XXIII) and VIII)	1,970,956	17	2,235,646	18	1,967,844	17
1180	Accounts receivable - related parties (Notes VI (V), (XXIII) and VII)	170,848	1	156,338	1	143,283	1
1200	Other receivables (Notes VI (V) & VII)	32,816	-	18,846	-	30,986	-
130X	Inventories (Notes VI (VI))	2,365,640	20	2,079,464	17	2,111,401	18
1410	Prepayments	125,219	2	109,507	1	87,277	1
1470	Other current assets	11,953	-	11,561	-	18,730	-
	<b>Total current assets</b>	6,896,195	58	7,166,672	58	6,879,143	58
<b>Non-current assets:</b>							
1517	Financial assets at fair value through other comprehensive income - non-current (Note VI (III))	59,385	1	59,972	1	166,400	1
1535	Financial assets at amortized cost - non-current (Note VI (IV))	3,197	-	3,420	-	3,327	-
1550	Investment under the equity method (Notes VI (III) & (VII))	262,995	2	272,944	2	-	-
1600	Property, plant and equipment (Notes VI (IX), VII & VIII)	2,201,856	19	2,287,843	19	2,304,026	19
1755	Right-of-use assets (Notes VI (X) & VII)	224,208	2	302,176	2	326,758	3
1760	Net of investment properties (Notes VI (XI))	286,276	2	288,904	2	289,780	3
1780	Intangible assets (Notes VI (VIII), (XII) & VII)	1,752,369	15	1,816,342	15	1,825,501	15
1840	Deferred income tax assets	90,962	1	91,877	1	111,911	1
1990	Other non-current assets	61,239	-	48,274	-	41,996	-
	<b>Total non-current assets</b>	4,942,487	42	5,171,752	42	5,069,699	42
	<b>Total assets</b>	\$ 11,838,682	100	12,338,424	100	11,948,842	100

(Continued on the next page)

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Consolidated Balance Sheets (Continued)**  
**September 30, 2025, December 31, 2024, and September 30, 2024**  
**Unit: In Thousands of New Taiwan Dollars**

	2025.9.30		2024.12.31		2024.9.30		
	Amount	%	Amount	%	Amount	%	
<b>Liabilities and equity</b>							
<b>Current liabilities:</b>							
2100	Short-term borrowings (Notes VI (XIII) & VIII)	\$ 1,208,634	10	1,388,927	11	1,905,356	16
2120	Financial liabilities measured at fair value through profit or loss - current (Note VI (II))	5,827	-	9,265	-	3,892	-
2130	Contract liabilities - current (Note VI (XXIII))	108,736	1	114,118	1	105,409	1
2170	Notes and accounts payables	1,580,944	13	1,560,070	13	1,512,680	13
2180	Accounts payable - related parties (Note VII)	72,093	1	66,931	-	51,127	-
2200	Other payables (Notes VI (XXIV) & VII)	506,880	4	571,359	5	494,167	4
2230	Current income tax liabilities	91,226	1	119,492	1	83,057	1
2250	Provisions - current (Note VI (XVIII))	32,540	-	30,437	-	30,296	-
2280	Lease liabilities - current (Note VI (XVII) & VII)	72,016	1	95,238	1	98,525	1
2322	Long-term borrowings - current portion (Notes VI (XV))	348,000	3	86,000	1	110,000	1
2325	Preferred share liabilities - current (Note VI (XVI))	-	-	165,559	1	197,197	2
2399	Other current liabilities	20,026	-	17,030	-	26,409	-
	<b>Total current liabilities</b>	<u>4,046,922</u>	<u>34</u>	<u>4,224,426</u>	<u>34</u>	<u>4,618,115</u>	<u>39</u>
<b>Non-current liabilities:</b>							
2530	Corporate bonds payable (Note VI (XIV))	952,939	8	936,074	8	466,265	4
2540	Long-term borrowings (Notes VI (XV) & VIII)	616,000	5	764,000	6	890,000	7
2570	Deferred income tax liabilities	374,972	3	382,375	3	377,469	3
2580	Lease liabilities - non-current (Note VI (XVII) & VII)	120,427	1	178,260	2	200,339	2
2640	Net defined benefit liabilities - non-current	13,490	-	15,159	-	17,516	-
2670	Other non-current liabilities	429	-	903	-	278	-
	<b>Total non-current liabilities</b>	<u>2,078,257</u>	<u>17</u>	<u>2,276,771</u>	<u>19</u>	<u>1,951,867</u>	<u>16</u>
	<b>Total liabilities</b>	<u>6,125,179</u>	<u>51</u>	<u>6,501,197</u>	<u>53</u>	<u>6,569,982</u>	<u>55</u>
<b>Equity attributable to the owners of the parent company (Note VI (III), (VIII) &amp; (XXI)):</b>							
3110	Share capital - ordinary shares	1,144,889	10	1,144,889	9	1,144,889	10
3200	Capital surplus	898,776	8	898,131	7	723,107	6
3300	Retained earnings	1,432,438	12	1,538,288	13	1,316,571	11
3400	Other equity	(102,246)	(1)	(69,566)	(1)	(11,264)	-
	<b>Total equity attributable to owners of parent company</b>	<u>3,373,857</u>	<u>29</u>	<u>3,511,742</u>	<u>28</u>	<u>3,173,303</u>	<u>27</u>
36XX	<b>Non-controlling interests (Note VI (VIII) &amp; (XXI))</b>	<u>2,339,646</u>	<u>20</u>	<u>2,325,485</u>	<u>19</u>	<u>2,205,557</u>	<u>18</u>
	<b>Total equity</b>	<u>5,713,503</u>	<u>49</u>	<u>5,837,227</u>	<u>47</u>	<u>5,378,860</u>	<u>45</u>
	<b>Total liabilities and equity</b>	<u>\$ 11,838,682</u>	<u>100</u>	<u>12,338,424</u>	<u>100</u>	<u>11,948,842</u>	<u>100</u>

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**July 1 to September 30, 2025 and 2024 and January 1 to September 30, 2025 and 2024**  
**Unit: In Thousands of New Taiwan Dollars**

	July to September 2025		July to September 2024		January to September 2025		January to September 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Net operating revenue (Notes VI (XXIII), VII and XIV)	\$ 2,772,458	100	2,524,804	100	8,271,682	100	6,598,766	100
5000 Operating costs (Notes VI (VI), (IX), (X), (XII), (XVII), (XIX), (XXIV), VII & XII)	(2,100,593)	(76)	(1,828,360)	(73)	(6,102,538)	(74)	(4,788,913)	(73)
<b>Gross Profit</b>	<b>671,865</b>	<b>24</b>	<b>696,444</b>	<b>27</b>	<b>2,169,144</b>	<b>26</b>	<b>1,809,853</b>	<b>27</b>
<b>Operating expenses (Note VI (V), (IX), (X), (XI), (XII), (XVII), (XIX), (XXIV), VII &amp; XII):</b>								
6100 Selling and marketing expenses	(255,719)	(9)	(260,811)	(10)	(794,483)	(9)	(720,222)	(11)
6200 General and administrative expenses	(130,817)	(5)	(125,510)	(5)	(399,498)	(5)	(359,243)	(5)
6300 Research and development expenses	(145,491)	(5)	(128,298)	(5)	(417,089)	(5)	(357,502)	(5)
6450 Expected credit impairment loss (gain on reversal)	6,809	-	2,057	-	10,334	-	5,201	-
6000 <b>Total operating expenses</b>	<b>(525,218)</b>	<b>(19)</b>	<b>(512,562)</b>	<b>(20)</b>	<b>(1,600,736)</b>	<b>(19)</b>	<b>(1,431,766)</b>	<b>(21)</b>
<b>Net operating income</b>	<b>146,647</b>	<b>5</b>	<b>183,882</b>	<b>7</b>	<b>568,408</b>	<b>7</b>	<b>378,087</b>	<b>6</b>
<b>Non-operating income and expenses (Notes VI (VII), (XVII), (XXV) &amp; VII)</b>								
7100 Interest income	4,773	-	3,790	-	15,794	-	12,631	-
7010 Other income	10,865	1	5,261	-	21,296	-	25,974	1
7060 Share of loss from associates recognized using the equity method	(292)	-	-	-	(956)	-	-	-
7020 Other gain and loss	2,760	-	(19,169)	(1)	(39,560)	-	(32,907)	(1)
7050 Finance costs	(18,357)	(1)	(15,872)	-	(54,248)	(1)	(38,041)	(1)
<b>Total non-operating income and expenses</b>	<b>(251)</b>	<b>-</b>	<b>(25,990)</b>	<b>(1)</b>	<b>(57,674)</b>	<b>(1)</b>	<b>(32,343)</b>	<b>(1)</b>
7900 <b>Profit before tax</b>	<b>146,396</b>	<b>5</b>	<b>157,892</b>	<b>6</b>	<b>510,734</b>	<b>6</b>	<b>345,744</b>	<b>5</b>
7950 <b>Less: Income tax expense (Note VI (XX))</b>	<b>(40,089)</b>	<b>(1)</b>	<b>(38,262)</b>	<b>(1)</b>	<b>(125,929)</b>	<b>(1)</b>	<b>(90,098)</b>	<b>(1)</b>
8200 <b>Net profit for the period</b>	<b>106,307</b>	<b>4</b>	<b>119,630</b>	<b>5</b>	<b>384,805</b>	<b>5</b>	<b>255,646</b>	<b>4</b>
<b>Other comprehensive income (Note VI (XX) and (XXI)):</b>								
8310 <b>Items that will not be reclassified to profit or loss</b>								
8316 Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	625	-	9,033	-	(587)	-	9,099	-
8349 Income tax relating to items that will not be reclassified	(145)	-	(84)	-	(130)	-	(1,385)	-
	<u>480</u>	<u>-</u>	<u>8,949</u>	<u>-</u>	<u>(717)</u>	<u>-</u>	<u>7,714</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss</b>								
8361 Exchange differences on translating the financial statements of foreign operations	66,342	2	21,454	1	(50,163)	(1)	54,667	1
8399 Income tax relating to items that may be reclassified	-	-	-	-	-	-	-	-
	<u>66,342</u>	<u>2</u>	<u>21,454</u>	<u>1</u>	<u>(50,163)</u>	<u>(1)</u>	<u>54,667</u>	<u>1</u>
<b>Other comprehensive income (loss) for the period</b>	<b>66,822</b>	<b>2</b>	<b>30,403</b>	<b>1</b>	<b>(50,880)</b>	<b>(1)</b>	<b>62,381</b>	<b>1</b>
8500 <b>Total comprehensive income (loss) for the period</b>	<b>\$ 173,129</b>	<b>6</b>	<b>150,033</b>	<b>6</b>	<b>333,925</b>	<b>4</b>	<b>318,027</b>	<b>5</b>
<b>Net profit in current period attributable to:</b>								
8610 Owners of the parent company	\$ 75,265	3	92,033	4	283,412	4	216,867	3
8620 Non-controlling interests	31,042	1	27,597	1	101,393	1	38,779	1
	<u>\$ 106,307</u>	<u>4</u>	<u>119,630</u>	<u>5</u>	<u>384,805</u>	<u>5</u>	<u>255,646</u>	<u>4</u>
<b>Total comprehensive income (loss) attributable to:</b>								
8710 Owners of the parent company	\$ 118,691	4	116,812	5	250,732	3	261,358	4
8720 Non-controlling interests	54,438	2	33,221	1	83,193	1	56,669	1
	<u>\$ 173,129</u>	<u>6</u>	<u>150,033</u>	<u>6</u>	<u>333,925</u>	<u>4</u>	<u>318,027</u>	<u>5</u>
<b>Earnings per share (Unit: In New Taiwan Dollars, Note VI (XXII)):</b>								
9750 <b>Basic earnings per share</b>	<u>\$ 0.66</u>		<u>0.80</u>		<u>2.48</u>		<u>1.89</u>	
9850 <b>Diluted earnings per share</b>	<u>\$ 0.66</u>		<u>0.80</u>		<u>2.47</u>		<u>1.89</u>	

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**January 1 to September 30, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

	Equity attributable to owners of parent company						Other equity items			Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
	Retained earnings					Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Total			
	Share capital - ordinary shares	Capital surplus	Legal reserve	Special reserve	Undistributed earnings							
<b>Balance as of January 1, 2024</b>	\$ 1,144,889	629,767	924,057	38,040	481,074	1,443,171	(97,599)	41,808	(55,791)	3,162,036	1,820,846	4,982,882
Net profit for the period	-	-	-	-	216,867	216,867	-	-	-	216,867	38,779	255,646
Other comprehensive income (loss) for the period	-	-	-	-	-	-	35,577	8,914	44,491	44,491	17,890	62,381
Total comprehensive income (loss) for the period	-	-	-	-	216,867	216,867	35,577	8,914	44,491	261,358	56,669	318,027
Profit distribution:												
Legal reserve	-	-	36,913	-	(36,913)	-	-	-	-	-	-	-
Special reserve	-	-	-	17,750	(17,750)	-	-	-	-	-	-	-
Cash dividends for ordinary shares	-	-	-	-	(343,467)	(343,467)	-	-	-	(343,467)	-	(343,467)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(31,619)	(31,619)
Disposition of employee stock ownership trust inflows	-	303	-	-	-	-	-	-	-	303	-	303
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	40,061	-	-	-	-	47	(11)	36	40,097	7,736	47,833
Changes in ownership interests in subsidiaries	-	52,976	-	-	-	-	-	-	-	52,976	50,157	103,133
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	301,768	301,768
<b>Balance as of September 30, 2024</b>	<b>\$ 1,144,889</b>	<b>723,107</b>	<b>960,970</b>	<b>55,790</b>	<b>299,811</b>	<b>1,316,571</b>	<b>(61,975)</b>	<b>50,711</b>	<b>(11,264)</b>	<b>3,173,303</b>	<b>2,205,557</b>	<b>5,378,860</b>
<b>Balance as of January 1, 2025</b>	<b>\$ 1,144,889</b>	<b>898,131</b>	<b>960,970</b>	<b>55,790</b>	<b>521,528</b>	<b>1,538,288</b>	<b>(70,975)</b>	<b>1,409</b>	<b>(69,566)</b>	<b>3,511,742</b>	<b>2,325,485</b>	<b>5,837,227</b>
Net profit for the period	-	-	-	-	283,412	283,412	-	-	-	283,412	101,393	384,805
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(32,235)	(445)	(32,680)	(32,680)	(18,200)	(50,880)
Total comprehensive income (loss) for the period	-	-	-	-	283,412	283,412	(32,235)	(445)	(32,680)	250,732	83,193	333,925
Profit distribution:												
Legal reserve	-	-	43,858	-	(43,858)	-	-	-	-	-	-	-
Special reserve	-	-	-	13,775	(13,775)	-	-	-	-	-	-	-
Cash dividends for ordinary shares	-	-	-	-	(389,262)	(389,262)	-	-	-	(389,262)	-	(389,262)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(68,050)	(68,050)
Disposition of employee stock ownership trust inflows	-	467	-	-	-	-	-	-	-	467	-	467
Changes in ownership interests in subsidiaries	-	178	-	-	-	-	-	-	-	178	189	367
Non-controlling interests adjustments	-	-	-	-	-	-	-	-	-	-	(1,171)	(1,171)
<b>Balance as of September 30, 2025</b>	<b>\$ 1,144,889</b>	<b>898,776</b>	<b>1,004,828</b>	<b>69,565</b>	<b>358,045</b>	<b>1,432,438</b>	<b>(103,210)</b>	<b>964</b>	<b>(102,246)</b>	<b>3,373,857</b>	<b>2,339,646</b>	<b>5,713,503</b>

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**January 1 to September 30, 2025 and 2024**

Unit: In Thousands of New Taiwan Dollars

	January to September 2025	January to September 2024
<b>Cash flows from operating activities:</b>		
<b>Net profit before tax for the period</b>	\$ 510,734	345,744
<b>Adjustment item:</b>		
Adjustments for		
Depreciation expenses	170,076	165,320
Amortization expenses	75,525	33,713
Gain on reversal of expected credit impairment	(10,334)	(5,201)
Net loss on financial assets and liabilities measured at fair value through profit or loss	4,417	1,755
Interest expense	54,248	38,041
Interest income	(15,794)	(12,631)
Dividend income	(339)	(5,589)
Share of loss from associates recognized using the equity method	956	-
Loss (gain) on disposal of property, plant and equipment	7	(901)
Gain on liquidation of subsidiary	-	(4,360)
Loss (gain) on lease amendment	(3,764)	13
Total revenue, expense and loss items	274,998	210,160
<b>Changes in assets/liabilities related to operating activities:</b>		
<b>Net changes in assets related to operating activities:</b>		
Financial assets mandatorily classified as at fair value through profit or loss	141	10,208
Contract assets	(7,276)	(11,258)
Notes and accounts receivable	275,028	(94,293)
Accounts receivable - related parties	(14,510)	(71,530)
Other receivables	(10,178)	6,172
Inventories	(286,176)	113,799
Prepayments	(15,712)	(5,183)
Other current assets	(2,260)	(6,837)
Other operating assets	1,035	725
Total net changes in assets related to operating activities	(59,908)	(58,197)
<b>Net change in liabilities related to operating activities:</b>		
Financial liabilities held for trading	(3,438)	527
Contract liabilities	(5,382)	(39,335)
Notes and accounts payables	20,874	392,877
Accounts payable - related parties	5,162	30,236
Other payables	(62,999)	43,447
Provision for liabilities	2,103	(11,468)
Other current liabilities	2,996	(6,135)
Net defined benefit liabilities	(1,983)	(1,911)
Other non-current liabilities	(474)	-
Total net changes in liabilities related to operating activities	(43,141)	408,238
Total net changes in assets and liabilities related to operating activities	(103,049)	350,041
Total adjustment items	171,949	560,201
Cash inflows from operations	682,683	905,945
Interest received	15,768	12,498
Interest paid	(38,267)	(36,183)
Income tax paid	(166,205)	(200,355)
<b>Net cash inflows from operating activities</b>	493,979	681,905

(Continued on the next page)

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Consolidated Statements of Cash Flows (Continued from the previous page)**  
**January 1 to September 30, 2025 and 2024**

**Unit: In Thousands of New Taiwan Dollars**

	<b>January to September 2025</b>	<b>January to September 2024</b>
<b>Cash flows from investing activities:</b>		
Purchase of financial assets at amortized cost	(18,045)	(17)
Proceeds from sale of financial assets at amortized cost	391	-
Purchase of financial assets at fair value through other comprehensive income	-	(70,587)
Acquisition of subsidiaries (less cash obtained)	-	(864,695)
Purchase of property, plant and equipment	(25,183)	(19,427)
Proceeds from disposal of property, plant and equipment	12	1,181
Decrease (increase) in refundable deposits	(6,394)	568
Purchase of intangible assets	(8,746)	(4,983)
Decrease (increase) in other non-current assets	(8,807)	69
Dividends received	7,775	5,589
<b>Net cash outflows from investing activities</b>	<b>(58,997)</b>	<b>(952,302)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	4,941,635	4,955,829
Decrease in short-term borrowings	(5,111,476)	(4,140,262)
Issuance of convertible bonds	-	566,323
Long-term borrowings	778,000	450,000
Repayments of long-term borrowings	(664,000)	(250,000)
Dividends on Preferred Stock Liabilities Issued by Subsidiaries	(165,754)	-
Repayment of lease principal	(67,071)	(61,621)
Cash dividends distributed	(389,262)	(343,467)
Cash dividends distributed by subsidiaries to non-controlling interests	(68,050)	(31,619)
Disposal of subsidiary shares (without loss of control)	-	47,833
Disposition of employee stock ownership trust inflows	834	694
<b>Net cash inflows (outflows) from financing activities</b>	<b>(745,144)</b>	<b>1,193,710</b>
<b>Effect of changes in exchange rate</b>	<b>(46,952)</b>	<b>55,476</b>
<b>Increase (decrease) in cash and cash equivalents for the current period</b>	<b>(357,114)</b>	<b>978,789</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,512,850</b>	<b>1,490,285</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 2,155,736</b>	<b>2,469,074</b>

(Please refer to notes to consolidated financial statements)

Chairman: Chen Chi-Hong

President: Tien Chih-Yin

Accounting Supervisor: Huang Li-Min

**DFI Inc. and Its Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**For the nine months ended September 30, 2025 and 2024**  
**(The amount shall be dominated in thousands of NT\$, unless otherwise specified)**

**I. Company History**

On July 14, 1981, DFI Inc. ("the Company") was established and registered under the approval from the Ministry of Economic Affairs, having the registered address of 10F, No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City. The Company and its subsidiaries (hereafter collectively referred to as "the Group") are principally engaged in the manufacturing and sales of board cards and computer components for industrial computers, services for intelligent products of industrial automation.

**II. Date and Procedures for Approval of Financial Statements**

The consolidated financial statements were approved and issued by the Board of Directors on November 3, 2025.

**III. Application of Newly Issued and Revised Standards and Interpretations**

(I) Effect of adopting new and amended standards and interpretations endorsed by the Financial Supervisory Commission

As of January 1, 2025, the Group began to apply the following newly revised International Financial Reporting Standards (IFRS), which has not had a significant impact on the consolidated financial statements.

- Amendments to IAS 21 "Lack of Exchangeability"

(II) Impact of not yet adopting IFRSs endorsed by the FSC

The Group assessed that the application of the following newly revised IFRSs, effective January 1, 2026, would not have a material impact on the consolidated financial statements.

- Amendments to IFRS 17 "Insurance Contracts" and IFRS 17
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRSs
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

- (III) New and amended standards and interpretations not yet endorsed by the FSC  
The standards and interpretations issued and amended by the IASB but not yet endorsed by the FSC that may be related to the Group are as follows:

<b>New issued or amended standards</b>	<b>Main amendments</b>	<b>Effective date of issuance by IASB</b>
IFRS 18 "Presentation and Disclosure of Financial Statements"	<p>The new guidelines introduce three categories of income and expenses, two subtotals on the income statement, and a single footnote regarding management performance measurement. These three amendments and enhancements to the guidance on segmenting information in financial statements lay the foundation for providing users with improved and consistent information, and will have an impact on all companies.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: The company currently uses various formats to express its financial performance, which makes it challenging for investors to compare the financial performance of different companies. The new guidelines have implemented a more structured income statement. They have introduced a new subtotal called 'operating profit' and require that all revenues and expenses be classified into three new categories based on the company's main business activities.</li> <li>• Management Performance Measurement (MPMs): The new criteria introduce the concept of management performance measurement. Companies are now required to provide an explanation, in a single footnote in the financial statements, regarding the usefulness of each measurement indicator, its calculation method, and how it is adjusted for amounts recognized in accordance with international financial reporting standards accounting principles.</li> <li>• More detailed information: The new guidelines provide instructions on how companies can improve the organization of information in financial statements. This guidance includes determining whether the information should be included in the primary financial statements or further disaggregated in the notes.</li> </ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, FSC issued a press release announcing that Taiwan will adopt International Financial Reporting Standards 18 starting from fiscal year 2028. If the Company has a need for early adoption, it may elect to adopt early upon approval by the FSC.</p>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The Group is now continuously assessing the impact of the above standards and interpretations on the financial position and operating results of the Group, and will disclose the related impact after completing the assessment.

The Group expects that the following newly issued and amended standards that have not been endorsed will not deliver a material impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and IFRS 19

### IV. Summary of Significant Accounting Policies

#### (I) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers ("Guidelines") and International Accounting Standards 34, "Interim Financial Reporting," which have been endorsed by the FSC and put into effect. The consolidated financial statements do not include all the necessary information that should be disclosed in the entire annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Bulletins, which have been endorsed by the FSC and put into effect.

Besides the descriptions mentioned below, the significant 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 IV of the consolidated financial statements for the year ended December 31, 2024.

#### (II) Basis of Consolidation

##### 1. Subsidiaries included in the consolidated financial statements

Name of investor company	Name of subsidiary	Nature of business	Comprehensive shareholding %			Details
			2025.9.30	2024.12.31	2024.9.30	
The Company	DFI AMERICA, LLC.	Sales of industrial computer cards	100.00%	100.00%	100.00%	Note 1
The Company	DFI Co., Ltd.	Sales of industrial computer cards	100.00%	100.00%	100.00%	Note 1
The Company	Yan Tong Technology Ltd. (Yan Tong)	Investment business	100.00%	100.00%	100.00%	Note 1
The Company	Diamond Flower Information (NL) B.V. (DFI BV)	Sales of industrial computer cards	100.00%	100.00%	100.00%	Note 1
Yan Tong	Yan Ying Hao Trading (Shenzhen) Co., Ltd. (Yan Ying Hao)	Wholesale, import and export of computer motherboard, board cards, host computer, electronic parts and components	100.00%	100.00%	100.00%	Note 1

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

Name of investor company	Name of subsidiary	Nature of business	Comprehensive shareholding %			Details
			2025.9.30	2024.12.31	2024.9.30	
The Company	AEWIN Technologies Co., Ltd. (AEWIN)	Design, manufacture and sale of industrial computer motherboards and related products	51.38%	51.38%	51.38%	
AEWIN	Wise way international CO., LTD. (Wise way)	Investment business	51.38%	51.38%	51.38%	
AEWIN	Aewin Tech Inc.	Wholesale of computer and peripheral equipment and software	51.38%	51.38%	51.38%	
Wise way	Bright profit enterprise Limited (Bright profit)	Investment business	51.38%	51.38%	51.38%	
Bright profit	Aewin Beijing Technologies Co., Ltd. (AEWBJ)	Wholesale of computer and peripheral equipment and software	51.38%	51.38%	51.38%	
The Company	Ace Pillar Co., Ltd. (Ace Pillar)	Automated control and testing, processing, sales, repair, and mechanical and electrical integration of industrial transmission systems	46.71%	46.71%	47.71%	
Ace Pillar	Cyber South Management Ltd. (Cyber South)	Holding Company	46.71%	46.71%	47.71%	
Ace Pillar/ Proton/ Cyber South	Tianjin Ace Pillar Co., Ltd. (Tianjin Ace Pillar)	Trade of transmission mechanical components	46.71%	46.71%	47.71%	
Cyber South	Proton Inc.(Proton)	Holding Company	46.71%	46.71%	47.71%	
Cyber South	Ace Tek (HK) Holding Co., Ltd. (Ace Tek)	Holding Company	46.71%	46.71%	47.71%	
Ace Tek	ADVANCEDTEK ACE (TJ) INC. (ACEAD)	Electronic system integration	46.71%	46.71%	47.71%	
The Company/ Ace Pillar	Tekpak Corporation (Tekpak)	Production, manufacturing, and trading of bundling equipment	49.87%	49.87%	50.26%	Note 2
Cyber South	Suzhou Super Pillar Automation Equipment Co., Ltd. (Suzhou Super Pillar)	Processing and technical services of mechanical transmission and control products	46.71%	46.71%	47.71%	
Ace Pillar	ACE Energy Co., Ltd. (ACE Energy)	Energy technical services	46.64%	46.64%	47.64%	Note 1
ACE Energy	BlueWalker GmbH (BWA)	Trading and services of energy management products	46.64%	46.64%	47.64%	
Ace Pillar	Standard Technology Corp. (Standard Co.)	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	28.03%	28.03%	28.63%	
Standard Co.	Standard Technology Corp. (STCBVI)	Holding Company	28.03%	28.03%	28.63%	
STCBVI	Standard International Trading (Shanghai) Co., Ltd. (Shanghai Standard)	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	28.03%	28.03%	28.63%	Note 1

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

Note 1: These are non-significant subsidiaries. Except for DFI AMERICA, LLC. and DFI BV, which were reviewed by accountants in the third quarter of 2025, and Yan Ying Hao, ACE Energy, and Shanghai Standard, which were reviewed by accountants in the third quarter of 2024, the other financial statements have not been reviewed by accountants.

Note 2: The Company and Ace Pillar acquired 31.65% and 39% equity in Tekpak on August 12, 2024, respectively, thereby gaining control over it.

2. Subsidiaries not included in the consolidated financial statements: None.

### (III) Employee benefits

Pensions to defined benefit plans in the interim period are calculated based on the actuarially determined pension cost rate on the reporting date of the previous year. The calculation basis is from the beginning of the year to the end of the period, and it is adjusted for any significant market volatility, significant curtailment, settlement or other significant one-off events after the reporting date.

### (IV) Income taxes

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

Income tax expenses are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecast by the management and are all recognized as the current income tax expenses.

Income tax expenses recognized directly in equity or other comprehensive income are measured at the tax rates that are expected to apply when the related assets and liabilities are realized or settled, based on the temporary differences between their carrying amounts for financial reporting purposes and their tax bases.

## V. Major Sources of Uncertainty in Significant Accounting Judgments, Estimates and Assumptions

When preparing the consolidated financial statements in conformity with the Guidelines and the IAS 34 "Interim Financial Reporting" endorsed by the FSC and put into effect, the management shall make judgments, estimates, and assumptions regarding the future (including climate-related risks and opportunities), which will affect the adoption of accounting policies and the reported amounts of assets, liabilities, incomes, and expenses. Actual results may differ from estimates.

In preparing the consolidated financial statements, the significant judgments and the major sources of estimation uncertainty made by the management in applying the accounting policies of the Group are consistent with Note V to the consolidated financial statements for the year ended December 31, 2024.

## VI. Description of Significant Accounting Items

Besides the descriptions mentioned below, the description of significant accounting items in the consolidated financial statements has no major differences from that in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2024.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

(I)	Cash and cash equivalents			
		<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
	Cash on hand and petty cash	\$ 575	590	571
	Demand deposits and check deposits	1,803,896	2,008,327	2,379,008
	Time deposits with original maturity date within three months	<u>351,265</u>	<u>503,933</u>	<u>89,495</u>
		<u><b>\$ 2,155,736</b></u>	<u><b>2,512,850</b></u>	<u><b>2,469,074</b></u>
(II)	Financial instruments at fair value through profit or loss - current			
		<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
	Financial assets mandatorily measured at fair value through profit or loss:			
	Non-hedging derivative instruments:			
	Forward foreign exchange contracts	\$ 1,267	2,316	1,572
	Foreign exchange SWAP contracts	908	-	8,600
	Redemption option of convertible bonds	<u>400</u>	<u>3,900</u>	<u>2,450</u>
		2,575	6,216	12,622
	Non-derivative financial assets:			
	Fund beneficial interest certificates	<u>21,413</u>	<u>22,135</u>	<u>23,130</u>
		<u><b>\$ 23,988</b></u>	<u><b>28,351</b></u>	<u><b>35,752</b></u>
		<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
	Financial liabilities held for trading:			
	Derivative financial instruments:			
	Forward foreign exchange contracts	\$ 356	882	3,892
	Foreign exchange SWAP contracts	<u>5,471</u>	<u>8,383</u>	<u>-</u>
		<u><b>\$ 5,827</b></u>	<u><b>9,265</b></u>	<u><b>3,892</b></u>

Please refer to Note VI (XXV) Non-operating income and expenses for the amount recognized in profit or loss measured at fair value.

The Group engages in derivative financial instruments to hedge the exposure to exchange rate risk arising from operating activities, which are reported as financial assets or liabilities at fair value through profit or loss because hedge accounting is not applied. The details of the derivative financial instruments not yet matured as of the reporting date are as follows:

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 1. Forward foreign exchange contracts

<b>2025.9.30</b>		
<b>Currency</b>	<b>Contract amount (in thousands)</b>	<b>Maturity period</b>
Buy JPY/Sell USD	USD 602	2025.10
Buy USD/Sell RMB	USD 1,597	2025.10
Buy USD/Sell RMB	RMB 88,229	2025.10
Buy RMB/Sell USD	USD 1,300	2025.10
Buy USD/Sell EUR	USD 1,050	2025.10
Buy EUR/Sell USD	USD 2,772	2025.10

<b>2024.12.31</b>		
<b>Currency</b>	<b>Contract amount (in thousands)</b>	<b>Maturity period</b>
Buy JPY/Sell USD	USD 1,157	2025.01
Buy USD/Sell RMB	USD 1,809	2025.01
Buy USD/Sell RMB	RMB 103,475	2025.01
Buy RMB/Sell USD	USD 1,430	2025.01
Buy NTD/Sell USD	USD 980	2025.01
Buy USD/Sell EUR	USD 830	2025.01
Buy EUR/Sell USD	USD 2,403	2025.01

<b>2024.9.30</b>		
<b>Currency</b>	<b>Contract amount (in thousands)</b>	<b>Maturity period</b>
Buy JPY/Sell USD	USD 600	2024.10
Buy USD/Sell RMB	USD 355	2024.10
Buy USD/Sell RMB	RMB 85,276	2024.10
Buy RMB/Sell USD	USD 2,230	2024.10
Buy USD/Sell EUR	USD 1,900	2024.10
Buy EUR/Sell USD	USD 2,270	2024.10

### 2. Foreign exchange SWAP contracts

<b>2025.9.30</b>		
<b>Currency</b>	<b>Contract amount (in thousands)</b>	<b>Maturity period</b>
Swap in NTD/swap out USD	USD 29,350	2025.10
Swap in NTD/swap out RMB	RMB 4,000	2025.10

<b>2024.12.31</b>		
<b>Currency</b>	<b>Contract amount (in thousands)</b>	<b>Maturity period</b>
Swap in NTD/swap out USD	USD 28,600	2025.01

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

2024.9.30			
Currency	Contract amount (in thousands)		Maturity period
Swap in NTD/swap out USD	USD	30,450	2024.10

(III) Financial assets at fair value through other comprehensive income - non-current

	2025.9.30	2024.12.31	2024.9.30
Equity instruments measured at fair value through other comprehensive income:			
Stocks of domestic over-the-counter (OTC) companies	\$ -	-	107,302
Foreign unlisted (OTC) stocks	59,385	59,972	59,098
	<u>\$ 59,385</u>	<u>59,972</u>	<u>166,400</u>

The Group holds such equity instrument investments for the strategic investment purpose, instead of trading purpose. Therefore, they have been designated as measured at fair value through other comprehensive income.

In December 2024, the Company increased its shareholding in APLEX Technology Inc., and assessed that it now has significant influence over the company. Therefore, the investment was reclassified to be accounted for using the equity method at NTD117,587 thousand. Additionally, unrealized valuation gains of NTD38,647 thousand from other equity—financial assets measured at fair value through other comprehensive income—were reclassified to retained earnings.

The Group did not dispose of the above-mentioned strategic investments for the nine months ended September 30, 2025 and 2024, and the gain or loss accumulated during those periods were not transferred to equity.

(IV) Financial assets measured at amortized cost

	2025.9.30	2024.12.31	2024.9.30
Financial assets measured at amortized cost - current:			
Restricted deposit	\$ 4,547	-	-
Pledged certificate of deposit	15,833	2,726	2,726
	<u>\$ 20,380</u>	<u>2,726</u>	<u>2,726</u>
Financial assets measured at amortized cost - non-current:			
Corporate bonds	<u>\$ 3,197</u>	<u>3,420</u>	<u>3,327</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The Group assesses that the above assets are held for the purpose of collecting contractual cash flows and that the cash flows of these financial assets are solely payments of principal and interest on the principal amount outstanding, and, therefore, they are recorded as financial assets measured at amortized cost.

Please refer to Note VIII for details of the aforesaid financial assets pledged as collateral by the Group.

(V) Notes and accounts receivable and other receivables		<b>2025.9.30</b>	<b>2024.12.31</b>	<b>2024.9.30</b>
Notes receivable	\$	159,570	317,907	240,778
Accounts receivable		1,838,441	1,954,265	1,749,793
Accounts receivable - related parties		170,848	156,338	143,283
Less: Loss allowance		<u>(27,055)</u>	<u>(36,526)</u>	<u>(22,727)</u>
	<b>\$</b>	<b><u>2,141,804</u></b>	<b><u>2,391,984</u></b>	<b><u>2,111,127</u></b>
Other receivables	\$	32,198	17,152	30,600
Other receivables - related parties		<u>618</u>	<u>1,694</u>	<u>386</u>
	<b>\$</b>	<b><u>32,816</u></b>	<b><u>18,846</u></b>	<b><u>30,986</u></b>

The Group uses a simplified approach to estimate expected credit losses for all accounts receivable, which is measured using the lifetime expected credit losses and includes forward-looking information. The expected credit losses of the Group's accounts receivable are analyzed as follows:

	<b>2025.9.30</b>		
	<b>Carrying amount of accounts receivable</b>	<b>Expected credit loss rate</b>	<b>Allowance for expected credit losses for the duration of the period</b>
Not overdue	\$ 1,637,479	0.09%	1,499
1-30 days overdue	152,893	0.39%	603
31-60 days overdue	10,343	17.67%	1,828
61-90 days overdue	4,997	21.15%	1,057
Overdue for more than 90 days	<u>32,729</u>	0~100%	<u>22,068</u>
	<b><u>\$ 1,838,441</u></b>		<b><u>27,055</u></b>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

	<b>2024.12.31</b>		
	<b>Carrying amount of accounts receivable</b>	<b>Expected credit loss rate</b>	<b>Allowance for expected credit losses for the duration of the period</b>
Not overdue	\$ 1,757,172	0~2.81%	1,802
1-30 days overdue	126,061	0~35.55%	2,459
31-60 days overdue	24,847	0~35.71%	3,972
61-90 days overdue	19,982	0~56.59%	6,097
Overdue for more than 90 days	<u>26,203</u>	0~100%	<u>22,196</u>
	<u><b>\$ 1,954,265</b></u>		<u><b>36,526</b></u>
	<b>2024.9.30</b>		
	<b>Carrying amount of accounts receivable</b>	<b>Expected credit loss rate</b>	<b>Allowance for expected credit losses for the duration of the period</b>
Not overdue	\$ 1,572,597	0~0.91%	1,919
1-30 days overdue	138,934	0~17.52%	3,133
31-60 days overdue	10,023	0~34.76%	772
61-90 days overdue	10,697	0~56.59%	378
Overdue for more than 90 days	<u>17,542</u>	0~100%	<u>16,525</u>
	<u><b>\$ 1,749,793</b></u>		<u><b>22,727</b></u>

As of September 30, 2025, December 31, 2024 and September 30, 2024, notes receivable - non-related parties and accounts receivable - related parties have been assessed by the Group that there was no expected credit loss, and the analysis is as follows:

	<b>2025.9.30</b>	<b>2024.12.31</b>	<b>2024.9.30</b>
Not overdue	\$ 325,839	464,540	379,647
1-30 days overdue	4,576	9,702	4,409
31-60 days overdue	3	-	-
Overdue for more than 90 days	-	<u>3</u>	<u>5</u>
	<u><b>\$ 330,418</b></u>	<u><b>474,245</b></u>	<u><b>384,061</b></u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The statements of changes in the allowance for losses of the Group's notes and accounts receivable (including related parties) are listed as follows:

	<b>January to September 2025</b>	<b>January to September 2024</b>
Beginning balance	\$ 36,526	26,447
Reversal of impairment loss	(10,334)	(5,201)
Unrecoverable amount written off for current year	(290)	(18)
Estimated insurance claims on accounts receivable	3,439	508
Foreign exchange gains or losses	(2,286)	991
Ending balance	<u>\$ 27,055</u>	<u>22,727</u>

Please refer to Note VIII for details of the notes receivable used by the Group to provide pledge guarantees.

### (VI) Inventories

	<b>2025.9.30</b>	<b>2024.12.31</b>	<b>2024.9.30</b>
Raw materials	\$ 960,792	696,111	759,348
Work in progress	309,338	219,502	244,311
Finished goods and commodities	1,000,521	1,022,980	1,030,874
Goods in transit	87,432	139,785	76,633
Outsourced processed goods	7,557	1,086	235
	<u>\$ 2,365,640</u>	<u>2,079,464</u>	<u>2,111,401</u>

The inventory-related expenses and losses recognized as the operating cost in the current period are detailed as follows:

	<b>July to September 2025</b>	<b>July to September 2024</b>	<b>January to September 2025</b>	<b>January to September 2024</b>
Cost of inventory sold	\$ 2,096,760	1,842,289	6,102,817	4,808,181
Loss on decline in value of inventories (recovery benefit)	2,832	(11,276)	(2,556)	(10,809)
Inventory scrap loss	55	2,939	118	3,004
Inventory gain	-	5	(29)	5
	<u>\$ 2,099,647</u>	<u>1,833,957</u>	<u>6,100,350</u>	<u>4,800,381</u>

The above inventory price loss was due to the write-down of inventories to net realizable value at the end of the period, thus recognized as loss on inventories. The gain on reversal of inventory valuation arises from obsolete inventory sold or scrapped, and the gain on reversal is recognized within the scope of inventory price loss.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

(VII) Investments accounted for under the equity method

1. Acquisition of Affiliated Enterprise – APLEX Technology Inc.

The affiliated enterprises that are significant to the Company are as follows:

Name of Affiliated Enterprise	Nature of Relationship with the Company	Primary business premises / country of incorporation	Percentage of Voting Rights	2025.9.30	2024.12.31
				Carrying amount	Percentage of Voting Rights
APLEX Technology Inc.	The main business is the research and development, as well as the manufacturing, of industrial computer products, serving as a strategic partner of the Company.	Taiwan	13.36%	<u>\$ 262,995</u>	13.36% <u>272,944</u>

Prior to December 24, 2024, APLEX was classified as a financial asset measured at fair value through other comprehensive income by the Group, which had a significant influence on the company on December 24, 2024. For the reclassification of investments using the equity method, please refer to Note VI(III).

For affiliated companies of significant importance to the merged company that are already listed, their fair values are as follows:

	2025.9.30	2024.12.31
APLEX	<u>\$ 214,407</u>	<u>254,810</u>

(1) Summary financial information for APLEX

	2025.9.30	2024.12.31
Current assets	\$ 510,523	567,378
Non-current assets	1,590,107	1,591,538
Current liabilities	(212,821)	(183,221)
Non-current liabilities	(348,636)	(362,027)
Net assets	<u>\$ 1,539,173</u>	<u>1,613,668</u>
Net assets attributable to non-controlling interests	<u>\$ -</u>	<u>-</u>
Net assets attributable to the owners of the investee company	<u>\$ 1,539,173</u>	<u>1,613,668</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

	<b>July to September 2025</b>	<b>January to September 2025</b>
Operating revenue	<u>\$ 207,773</u>	<u>666,277</u>
Net loss for the period from continued operating units	\$ (2,186)	(7,158)
Other comprehensive income	<u>7,291</u>	<u>(11,658)</u>
Total comprehensive income	<u>\$ 5,105</u>	<u>(18,816)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ -</u>	<u>-</u>
Total comprehensive income attributable to the owners of the investee company	<u>\$ 5,105</u>	<u>(18,816)</u>
	<b>July to September 2025</b>	<b>January to September 2025</b>
Beginning net asset book value of the consolidated company for affiliated enterprises	\$ 262,313	272,944
Total comprehensive income attributable to the consolidated company for the period	682	(2,513)
Dividends received from affiliated enterprises for this period	<u>-</u>	<u>(7,436)</u>
The Group's year-end book value of equity in affiliated enterprises	<u>\$ 262,995</u>	<u>262,995</u>

### (VIII) Subsidiaries and non-controlling interests

#### 1. Acquisition of subsidiary - Tekpak Corporation

##### (1) Consideration transferred for acquisition of the subsidiary

On August 12, 2024 (the acquisition date), the Company and its consolidated subsidiary, Ace Pillar, acquired 833 thousand ordinary shares of Tekpak Corporation (Tekpak) for a cash consideration of NTD 1,250,000 thousand, representing a 70.65% equity interest, thereby obtaining control over this company and has included it in the consolidated financial statements since the acquisition date. Tekpak is primarily engaged in the production, manufacturing, and trading of bundling equipment. The acquisition of Tekpak by the Group and its subsidiary Ace Pillar is aimed at supporting the company's long-term operational development and business expansion. This acquisition will enable the Group to offer a more diverse range of products and services to its customers, thereby enhancing its competitiveness.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

(2) Identifiable net assets acquired and goodwill recognized

The fair values of the identifiable assets acquired and liabilities assumed of Tekpak Corporation on August 12, 2024 (acquisition date) and the goodwill recognized as a result of the acquisition are as follows:

Transfer consideration (cash):	\$	1,250,000
Add: Non-controlling interests (measured by the proportion of non-controlling interests in the fair value of net identifiable assets)		301,768
Less: fair value of net identifiable assets acquired:		
Cash and cash equivalents	\$	385,305
Notes and accounts receivable, net		774
Other receivables		25,084
Inventories		331,743
Prepayments and other current assets		1,844
Property, plant and equipment		2,035
Right-of-use assets		66,327
Intangible assets - trademark		185,911
Intangible assets - patents		69,054
Intangible assets - client relationship		630,208
Deferred income tax assets		3,812
Refundable deposits		1,547
Contract liabilities		(29,369)
Notes and accounts payables		(167,031)
Other payables		(21,100)
Current income tax liabilities		(24,974)
Preferred share liabilities - current		(196,797)
Other current liabilities		(382)
Lease liabilities (including current and non-current)		(66,327)
Deferred income tax liabilities		(169,135)
Other non-current liabilities		(278)
		<u>1,028,251</u>
Goodwill	\$	<u><b>523,517</b></u>

During the measurement period, the Group continuously reviewed the aforementioned matters and adjusted other receivables, deferred tax liabilities, and non-controlling interests in the first quarter of 2025 as follows:

Increase in other receivables	\$	3,911
Increase in deferred income tax liabilities		(7,900)
Decrease in non-controlling interests		<u>1,171</u>
Increase in goodwill	\$	<u><b>(2,818)</b></u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

Throughout the measurement period, our Group conducted a continuous review of the aforementioned matters. In the fourth quarter 2024, adjustments were made to the following intangible assets - trademark rights, patent rights, customer relationships, deferred tax liabilities, and non-controlling interests:

Intangible assets - decrease in trademark rights	\$ (21,256)
Decrease in intangible assets - patents	(8,040)
Increase in intangible assets - client relationships	56,510
Increase in deferred income tax liabilities	(5,443)
Increase in non-controlling interests	<u>(6,390)</u>
Decrease in goodwill	<u>\$ 15,381</u>

### (3) Intangible assets

The trademark rights, patent rights and customer relationships are amortized on a straight-line basis over their respective projected future economic benefit period of 10 years, 6 years, and 15.39 years, respectively.

Goodwill mainly comes from Tekpak Corporation's profitability, the synergy of the merger, future development in market and value of its human resource team. It is expected to have no income tax effect.

### 2. Disposal of subsidiary shares (without loss of control)

During July and December 2024, the Group sold a portion of its shares in Ace Pillar for NTD214,138 thousand in cash (of which NTD47,833 thousand was sold from July to August). For the changes in the shareholding ratio, please refer to Note IV (II).

### 3. Subsidiaries with material non-controlling interests

The non-controlling interests of subsidiaries that are material to the Group are as follows:

Name of subsidiary	Primary business premises/ country of incorporation	Proportion of non-controlling interests in ownership interests		
		2025.9.30	2024.12.31	2024.9.30
Ace Pillar	Taiwan	53.29%	53.29%	52.29%
AEWIN	Taiwan	48.62%	48.62%	48.62%

The summarized financial information of the above subsidiaries is stated as follows, prepared in accordance with IFRS accounting standards endorsed by the FSC and reflecting adjustments made by the Group to the fair value and differences in accounting policies on the acquisition date, and the financial information is the amount before elimination of intercompany transactions within the Group:

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

(1) Summarized financial information of Ace Pillar:

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Current assets	\$ 2,973,662	3,218,582	2,970,947
Non-current assets	2,514,866	2,625,215	2,641,958
Current liabilities	(1,340,301)	(1,487,172)	(1,835,914)
Non-current liabilities	(774,803)	(1,048,758)	(642,022)
Net assets	<u>\$ 3,373,424</u>	<u>3,307,867</u>	<u>3,134,969</u>
Carrying amount of non-controlling interests at end of period	<u>\$ 1,674,362</u>	<u>1,646,576</u>	<u>1,535,536</u>

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Net operating revenue	\$ <u>1,210,348</u>	<u>995,798</u>	<u>3,518,874</u>	<u>2,464,770</u>
Net profit for the period	\$ 50,082	30,858	168,800	34,801
Other comprehensive income	36,083	10,082	(26,907)	28,370
Total comprehensive income	<u>\$ 86,165</u>	<u>40,940</u>	<u>141,893</u>	<u>63,171</u>
Net profit for the period attributable to non-controlling interests	<u>\$ 25,662</u>	<u>16,084</u>	<u>86,602</u>	<u>19,763</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 45,675</u>	<u>21,553</u>	<u>71,300</u>	<u>34,949</u>

	<u>January to September 2025</u>	<u>January to September 2024</u>
Cash flows from operating activities	\$ 136,062	281,457
Cash flows from investing activities	(16,170)	(353,157)
Cash flows from financing activities	(423,088)	644,933
Effect of changes in exchange rate	(20,541)	30,992
Increase (decrease) in cash and cash equivalents	<u>\$ (323,737)</u>	<u>604,225</u>
Dividends paid to non-controlling interests	<u>\$ (42,465)</u>	<u>(21,558)</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

(2) Summarized financial information of AEWIN

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Current assets	\$ 1,639,415	1,707,015	1,888,418
Non-current assets	938,401	987,085	983,510
Current liabilities	(685,998)	(735,740)	(845,399)
Non-current liabilities	<u>(518,758)</u>	<u>(557,280)</u>	<u>(643,729)</u>
Net assets	<u>\$ 1,373,060</u>	<u>1,401,080</u>	<u>1,382,800</u>
Ending balance of non-controlling interests at book value	<u>\$ 665,284</u>	<u>678,909</u>	<u>670,021</u>

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Operating revenue	\$ 576,545	628,121	1,762,453	1,581,069
Net profit for the period	\$ 11,067	23,678	30,422	39,111
Other comprehensive income	6,957	320	(5,960)	5,562
Total comprehensive income	<u>\$ 18,024</u>	<u>23,998</u>	<u>24,462</u>	<u>44,673</u>
Net profit for the period attributable to non-controlling interests	<u>\$ 5,380</u>	<u>11,513</u>	<u>14,791</u>	<u>19,016</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 8,763</u>	<u>11,668</u>	<u>11,893</u>	<u>21,720</u>

	<u>January to September 2025</u>	<u>January to September 2024</u>
Cash flows from operating activities	\$ 54,286	73,839
Cash flows from investing activities	(33,086)	(13,718)
Cash flows from financing activities	(36,438)	270,916
Effect of changes in exchange rate	<u>(14,994)</u>	<u>8,308</u>
Decrease in cash and cash equivalents	<u>\$ (30,232)</u>	<u>339,345</u>
Dividends paid to non-controlling interests	<u>\$ (25,585)</u>	<u>(10,061)</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (IX) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Machinery equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Unfinished construction</u>	<u>Total</u>
Costs:							
Balance as of January 1, 2025	\$ 721,431	1,648,912	417,327	82,176	401,159	7,542	3,278,547
Addition	-	1,197	4,511	2,969	11,151	4,759	24,587
Disposal	-	-	(1,247)	(375)	(1,125)	-	(2,747)
Reclassification	-	-	-	-	12,611	(11,113)	1,498
Effect of changes in exchange rate	-	(19,320)	(22)	(1,365)	(4,559)	(786)	(26,052)
Balance as of September 30, 2025	<u>\$ 721,431</u>	<u>1,630,789</u>	<u>420,569</u>	<u>83,405</u>	<u>419,237</u>	<u>402</u>	<u>3,275,833</u>
Balance as of January 1, 2024	\$ 871,226	1,671,113	404,584	72,173	353,925	-	3,373,021
Acquisition through business combination (Note VI (VIII))	-	-	-	3,406	44,217	-	47,623
Addition	-	146	1,593	2,723	9,235	764	14,461
Disposal	-	(535)	(2,218)	(1,771)	(3,679)	-	(8,203)
Reclassification	(149,795)	(36,263)	962	-	2,316	(764)	(183,544)
Effect of changes in exchange rate	-	15,022	22	1,276	4,147	-	20,467
Balance as of September 30, 2024	<u>\$ 721,431</u>	<u>1,649,483</u>	<u>404,943</u>	<u>77,807</u>	<u>410,161</u>	<u>-</u>	<u>3,263,825</u>
Accumulated depreciation and impairment loss:							
Balance as of January 1, 2025	\$ -	373,529	309,214	66,081	241,880	-	990,704
Depreciation	-	35,150	26,001	5,011	31,804	-	97,966
Disposal	-	-	(1,247)	(371)	(1,110)	-	(2,728)
Effect of changes in exchange rate	-	(7,395)	(3)	(1,236)	(3,331)	-	(11,965)
Balance as of September 30, 2025	<u>\$ -</u>	<u>401,284</u>	<u>333,965</u>	<u>69,485</u>	<u>269,243</u>	<u>-</u>	<u>1,073,977</u>
Balance as of January 1, 2024	\$ -	331,074	271,669	54,854	166,605	-	824,202
Acquisition through business combination (Note VI (VIII))	-	-	-	3,406	42,182	-	45,588
Depreciation	-	35,281	27,427	5,012	30,962	-	98,682
Disposal	-	(407)	(2,218)	(1,765)	(3,533)	-	(7,923)
Reclassification	-	(9,385)	-	-	-	-	(9,385)
Effect of changes in exchange rate	-	4,880	9	1,153	2,593	-	8,635
Balance as of September 30, 2024	<u>\$ -</u>	<u>361,443</u>	<u>296,887</u>	<u>62,660</u>	<u>238,809</u>	<u>-</u>	<u>959,799</u>
Carrying amount:							
September 30, 2025	<u>\$ 721,431</u>	<u>1,229,505</u>	<u>86,604</u>	<u>13,920</u>	<u>149,994</u>	<u>402</u>	<u>2,201,856</u>
January 1, 2025	<u>\$ 721,431</u>	<u>1,275,383</u>	<u>108,113</u>	<u>16,095</u>	<u>159,279</u>	<u>7,542</u>	<u>2,287,843</u>
September 30, 2024	<u>\$ 721,431</u>	<u>1,288,040</u>	<u>108,056</u>	<u>15,147</u>	<u>171,352</u>	<u>-</u>	<u>2,304,026</u>

Please refer to Note VIII for property, plant and equipment pledged as collaterals for long-term borrowings.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (X) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Cost of right-of-use assets:				
Balance as of January 1, 2025	\$ 49,601	457,918	5,103	512,622
Addition	-	20,495	1,335	21,830
Decrease and lease amendment	-	(94,595)	(3,375)	(97,970)
Reclassification	-	782	-	782
Effect of changes in exchange rate	<u>(1,102)</u>	<u>(14,612)</u>	<u>(35)</u>	<u>(15,749)</u>
Balance as of September 30, 2025	<u><b>\$ 48,499</b></u>	<u><b>369,988</b></u>	<u><b>3,028</b></u>	<u><b>421,515</b></u>
Balance as of January 1, 2024	\$ 48,739	366,624	2,593	417,956
Acquisition through business combination (Note VI (VIII))	-	64,366	1,961	66,327
Addition	-	42,671	738	43,409
Decrease and lease amendment	-	(21,234)	(1,186)	(22,420)
Effect of changes in exchange rate	<u>707</u>	<u>6,844</u>	<u>10</u>	<u>7,561</u>
Balance as of September 30, 2024	<u><b>\$ 49,446</b></u>	<u><b>459,271</b></u>	<u><b>4,116</b></u>	<u><b>512,833</b></u>
Accumulated depreciation of right-of-use assets:				
Balance as of January 1, 2025	\$ 7,402	201,364	1,680	210,446
Depreciation	908	67,298	1,276	69,482
Decrease and lease amendment	-	(74,084)	(2,164)	(76,248)
Reclassification	-	782	-	782
Effect of changes in exchange rate	<u>(206)</u>	<u>(6,940)</u>	<u>(9)</u>	<u>(7,155)</u>
Balance as of September 30, 2025	<u><b>\$ 8,104</b></u>	<u><b>188,420</b></u>	<u><b>783</b></u>	<u><b>197,307</b></u>
Balance as of January 1, 2024	\$ 6,029	134,015	1,254	141,298
Depreciation	917	62,178	915	64,010
Decrease and lease amendment	-	(21,028)	(985)	(22,013)
Effect of changes in exchange rate	<u>100</u>	<u>2,673</u>	<u>7</u>	<u>2,780</u>
Balance as of September 30, 2024	<u><b>\$ 7,046</b></u>	<u><b>177,838</b></u>	<u><b>1,191</b></u>	<u><b>186,075</b></u>
Carrying amount:				
September 30, 2025	<u><b>\$ 40,395</b></u>	<u><b>181,568</b></u>	<u><b>2,245</b></u>	<u><b>224,208</b></u>
January 1, 2025	<u><b>\$ 42,199</b></u>	<u><b>256,554</b></u>	<u><b>3,423</b></u>	<u><b>302,176</b></u>
September 30, 2024	<u><b>\$ 42,400</b></u>	<u><b>281,433</b></u>	<u><b>2,925</b></u>	<u><b>326,758</b></u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XI) Investment property

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Costs:			
Balance as of January 1, 2025 (same as the balance as of September 30, 2025)	<u>\$ 241,549</u>	<u>78,974</u>	<u>320,523</u>
Balance as of January 1, 2024	\$ 91,754	42,711	134,465
Transfer from property, plant and equipment	<u>149,795</u>	<u>36,263</u>	<u>186,058</u>
Balance as of September 30, 2024	<u>\$ 241,549</u>	<u>78,974</u>	<u>320,523</u>
Accumulated depreciation and impairment loss:			
Balance as of January 1, 2025	\$ -	31,619	31,619
Depreciation for the current period	<u>-</u>	<u>2,628</u>	<u>2,628</u>
Balance as of September 30, 2025	<u>\$ -</u>	<u>34,247</u>	<u>34,247</u>
Balance as of January 1, 2024	\$ -	18,730	18,730
Transfer from property, plant and equipment	<u>-</u>	<u>9,385</u>	<u>9,385</u>
Depreciation for the current period	<u>-</u>	<u>2,628</u>	<u>2,628</u>
Balance as of September 30, 2024	<u>\$ -</u>	<u>30,743</u>	<u>30,743</u>
Carrying amount:			
September 30, 2025	<u>\$ 241,549</u>	<u>44,727</u>	<u>286,276</u>
January 1, 2025	<u>\$ 241,549</u>	<u>47,355</u>	<u>288,904</u>
September 30, 2024	<u>\$ 241,549</u>	<u>48,231</u>	<u>289,780</u>

The fair value of the consolidated company's investment property is not materially different from the information disclosed in note VI(XI) to the consolidated financial statements for 2024.

### (XII) Intangible assets

	<u>Goodwill</u>	<u>Patent</u>	<u>Trademark</u>	<u>Client relationship</u>	<u>Computer software</u>	<u>Total</u>
Costs:						
Balance as of January 1, 2025	\$ 801,429	62,024	177,478	898,153	121,718	2,060,802
Separate acquisition	-	-	-	-	8,746	8,746
Business combinations adjusted during the measurement period	2,818	-	-	-	-	2,818
Write-off for the current period	-	-	-	-	(1,652)	(1,652)
Effects of changes in exchange rate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22)</u>	<u>(22)</u>
Balance as of September 30, 2025	<u>\$ 804,247</u>	<u>62,024</u>	<u>177,478</u>	<u>898,153</u>	<u>128,790</u>	<u>2,070,692</u>
Balance as of January 1, 2024	\$ 293,293	-	12,823	211,435	119,248	636,799

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

	<u>Goodwill</u>	<u>Patent</u>	<u>Trademark</u>	<u>Client relationship</u>	<u>Computer software</u>	<u>Total</u>
Acquisition through business combination (Note VI (VIII))	523,517	69,054	185,911	630,208	95	1,408,785
Separate acquisition	-	-	-	-	4,983	4,983
Write-off for the current period	-	-	-	-	(5,904)	(5,904)
Effects of changes in exchange rate	-	-	-	-	83	83
Balance as of September 30, 2024	<u>\$ 816,810</u>	<u>69,054</u>	<u>198,734</u>	<u>841,643</u>	<u>118,505</u>	<u>2,044,746</u>
Accumulated amortization:						
Balance as of January 1, 2025	\$ -	4,280	10,436	128,224	101,520	244,460
Amortization	-	7,634	13,262	44,651	9,978	75,525
Write-off for the current period	-	-	-	-	(1,652)	(1,652)
Effects of changes in exchange rate	-	-	-	-	(10)	(10)
Balance as of September 30, 2025	<u>\$ -</u>	<u>11,914</u>	<u>23,698</u>	<u>172,875</u>	<u>109,836</u>	<u>318,323</u>
Balance as of January 1, 2024	\$ -	-	2,245	94,828	94,224	191,297
Acquisition through business combination (Note VI (VIII))	-	-	-	-	95	95
Amortization	-	1,918	4,060	17,958	9,777	33,713
Write-off for the current period	-	-	-	-	(5,904)	(5,904)
Effects of changes in exchange rate	-	-	-	-	44	44
Balance as of September 30, 2024	<u>\$ -</u>	<u>1,918</u>	<u>6,305</u>	<u>112,786</u>	<u>98,236</u>	<u>219,245</u>
Carrying amount:						
Balance as of September 30, 2025	<u>\$ 804,247</u>	<u>50,110</u>	<u>153,780</u>	<u>725,278</u>	<u>18,954</u>	<u>1,752,369</u>
Balance as of January 1, 2025	<u>\$ 801,429</u>	<u>57,744</u>	<u>167,042</u>	<u>769,929</u>	<u>20,198</u>	<u>1,816,342</u>
Balance as of September 30, 2024	<u>\$ 816,810</u>	<u>67,136</u>	<u>192,429</u>	<u>728,857</u>	<u>20,269</u>	<u>1,825,501</u>

According to International Accounting Standards 36, the goodwill acquired by a business combination shall be tested for impairment at least every year. There is no goodwill loss according to the impairment test result of the Group on December 31, 2024, please refer to Note VI (XII) of the Consolidated Financial Statements of 2024. On September 30, 2025, the Group evaluated the achievement of operating revenue and net operating income of the relevant cash-generating unit in the third quarter of 2025, and the budget assessment of future operating revenue and profit, and there was no impairment.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XIII) Short-term borrowings

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Unsecured bank loans	\$ 1,208,634	1,329,009	1,827,928
Secured bank loans	-	59,918	77,428
	<u>\$ 1,208,634</u>	<u>1,388,927</u>	<u>1,905,356</u>
Unused lines of credit	<u>\$ 7,032,517</u>	<u>6,036,237</u>	<u>5,109,562</u>
Range of interest rate	<u>1.82%~4.5%</u>	<u>0.5%~3.75%</u>	<u>0.50%~3.90%</u>

Please refer to Note VIII for details of the situation where the Group pledged assets as collaterals for bank loan line.

### (XIV) Corporate bonds payable

The information regarding the issuance of unsecured convertible bonds by the consolidated subsidiaries AEWIN and Ace Pillar is as follows:

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Total amount of convertible bonds issued	\$ 1,000,000	1,000,000	500,000
Unamortized balance of discount on corporate bonds payable	<u>(47,061)</u>	<u>(63,926)</u>	<u>(33,735)</u>
Outstanding balance of corporate bonds payable as of the end of the period	<u>\$ 952,939</u>	<u>936,074</u>	<u>466,265</u>

The consolidated subsidiary, AEWIN, on July 16, 2024, pursuant to a resolution of its Board of Directors, decided to issue its second domestic unsecured convertible bonds in Taiwan to repay bank loans and strengthen operational capital. The issuance was approved by the Financial Supervisory Commission (FSC) on August 13, 2024, and the bonds were issued on September 3, 2024. The bonds have a term of three years and will mature on September 3, 2027. The total face value of the bonds is NTD500,000 thousand, with a coupon rate of 0%. The initial effective interest rate is 2.4%. The convertible corporate bonds were publicly underwritten through a competitive auction. The actual issue price per bond was 114.32% of the face value, resulting in a total raised amount of NTD566,323 thousand (after deducting issuance costs of NTD5,277 thousand).

The other issuance conditions of AEWIN's bonds are as follows:

#### 1. Repayment Method

Except in cases where the bonds are converted into AEWIN's ordinary shares in accordance with the issuance regulations, or AEWIN redeems the bonds early in accordance with the issuance regulations, or AEWIN repurchases and cancels the bonds through a securities firm's business office, AEWIN shall repay the bonds in cash at their face value within ten business days following the day after the maturity date of the convertible bonds.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 2. Redemption Method

- (1) From the day after three months following the issuance until forty days before the expiration of the issuance period, if the closing price of AEWIN's ordinary shares exceeds 30% of the conversion price for thirty consecutive business days, AEWIN has the option to redeem the outstanding bonds in cash at face value within the following thirty business days.
- (2) From the day after three months following the issuance until forty days before the expiration of the issuance period, if the outstanding balance of the circulating bonds falls below NTD50,000 thousand AEWIN may redeem the outstanding bonds in cash at face value at any time thereafter.

### 3. Conversion Period

From the day after three months following the issuance until the maturity date, bondholders may, except during any legally required suspension of transfer periods (The restriction that conversion is prohibited during statutory book-closure periods does not include the book-closure periods for shareholders' meetings, whether regular or special), request at any time to convert their bonds into ordinary shares in accordance with the conversion terms. This conversion can be done through AEWIN's designated stock transfer agent.

### 4. Conversion Price

The conversion price per share at the time of issuance is set at NTD85.0. If any events occur involving AEWIN's ordinary shares that require an adjustment to the conversion price in accordance with the issuance terms, the conversion price will be adjusted according to the formula specified in the conversion terms. This bond does not have any reset provisions. Effective July 20, 2025, the conversion price was adjusted to NT\$83.9.

On September 26, 2024, the Board of Directors of the consolidated subsidiary Ace Pillar resolved to issue the second domestic unsecured convertible corporate bonds to repay bank loans and enhance operating funds. This proposal was approved by the Financial Supervisory Commission on October 25, 2024, and the bonds will be issued starting November 15, 2024, maturing on November 15, 2027. The issuance period is three years, with a total face value of NTD500,000,000, a coupon rate of 0%, and an initial effective interest rate of 2.4%. The convertible corporate bonds were publicly underwritten through a competitive auction. The actual issue price per bond was 107.06% of the face value, resulting in a total raised amount of NTD530,026 thousand (after deducting issuance costs of NTD5,276 thousand).

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The other issuance conditions of Ace Pillar's bonds are as follows:

### 1. Repayment Method

Except in cases where the bonds are converted into Ace Pillar's ordinary shares in accordance with the issuance regulations, or Ace Pillar redeems the bonds early in accordance with the issuance regulations, or Ace Pillar repurchases and cancels the bonds through a securities firm's business office, Ace Pillar shall repay the bonds in cash at their face value within ten business days following the day after the maturity date of the convertible bonds.

### 2. Redemption Method

- (1) From the day after three months following the issuance until forty days before the expiration of the issuance period, if the closing price of Ace Pillar's ordinary shares exceeds 30% of the conversion price for thirty consecutive business days, Ace Pillar has the option to redeem the outstanding bonds in cash at face value within the following thirty business days.
- (2) From the day after three months following the issuance until forty days before the expiration of the issuance period, if the outstanding balance of the circulating bonds falls below NTD50,000 thousand, Ace Pillar may redeem the outstanding bonds in cash at face value at any time thereafter.

### 3. Conversion Period

From the day after three months following the issuance until the maturity date, bondholders may, except during any legally required suspension of transfer periods (The restriction that conversion is prohibited during statutory book-closure periods does not include the book-closure periods for shareholders' meetings, whether regular or special), request at any time to convert their bonds into ordinary shares in accordance with the conversion terms. This conversion can be done through Ace Pillar's designated stock transfer agent.

### 4. Conversion Price

The conversion price per share at the time of issuance is set at NTD133.1. If any events occur involving Ace Pillar's ordinary shares that require an adjustment to the conversion price in accordance with the issuance terms, the conversion price will be adjusted according to the formula specified in the conversion terms. This bond does not have any reset provisions. Effective July 21, 2025, the conversion price was adjusted to NT\$132.5.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XV) Long-term borrowings

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Unsecured bank loans	\$ 964,000	850,000	1,000,000
Less: portion due within one year	<u>(348,000)</u>	<u>(86,000)</u>	<u>(110,000)</u>
	<u>\$ 616,000</u>	<u>764,000</u>	<u>890,000</u>
Unused lines of credit	<u>\$ 2,180,000</u>	<u>2,280,000</u>	<u>2,050,000</u>
Year of maturity	<u>2026~2028</u>	<u>2025~2027</u>	<u>2026~2027</u>
Range of interest rate	<u>1.85%~1.88%</u>	<u>1.88%~1.94%</u>	<u>1.86%~2.00%</u>

Please refer to Note VIII for details of the situation where the Group pledged assets as collaterals for bank loan line.

### (XVI) Preferred share liabilities

On July 10, 2024, the Board of Directors of the consolidated subsidiary, Tekpak, resolved to issue 1,000 Class A preferred shares at an issue price of NTD 10 per share, for a total issuance amount of NTD 10 thousand. The key terms of the issuance of the Class A preferred shares are as follows:

1. In addition to the right to dividend distribution of the Class A preferred shares specified in the company's Articles of Association, Class A preferred shareholders have no rights to any surplus asset distributions, voting rights, the right to be elected as directors or supervisors, the right to receive dividends or bonuses, or any other rights or interests.
2. Class A preferred shares cannot be converted to ordinary shares.
3. The Class A preferred shares are non-transferable.
4. If there is a surplus in 2024, Tekpak should pay taxes in accordance with the law, cover any losses, and allocate 10% of the statutory surplus to the legal reserve. The remaining surplus should then be distributed to Class A preferred shareholders as dividends, based on Tekpak's profitability.
5. Tekpak is required to pay the aforementioned preferred share dividends by April 30, 2025. Upon payment, the Class A preferred shares will be unconditionally redeemed.

The fair value of the preferred share liabilities of the Group subsidiary, TEKPAK CORPORATION, based on estimated future cash flows, was NTD 165,559 thousand and UTD 197,197 as of December 31 and September 30, 2024, respectively. On April 29, 2025, it paid preferred share dividends of NTD 165,754 thousand, and on July 23, 2025, the preferred shares were redeemed.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XVII) Lease liabilities

The carrying amount of the lease liabilities of the Group is as follows:

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Current	<u>\$ 72,016</u>	<u>95,238</u>	<u>98,525</u>
Non-current	<u>\$ 120,427</u>	<u>178,260</u>	<u>200,339</u>

Please refer to Note VI (XXVI) Liquidity Risk for the maturity analysis of lease liabilities.

The amounts recognized in profit or loss are as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Interest expense on lease liabilities	<u>\$ 1,284</u>	<u>1,839</u>	<u>4,461</u>	<u>4,957</u>
Short-term leases expenses and lease expenses of low-value assets	<u>\$ 4,062</u>	<u>3,365</u>	<u>10,552</u>	<u>12,759</u>

The amounts recognized in the cash flow statement are as follows:

	<u>January to September 2025</u>	<u>January to September 2024</u>
Total cash outflow for leases	<u>\$ 82,084</u>	<u>79,337</u>

#### Important lease terms:

##### 1. Lease of land, buildings and structures

The Group has leased land, buildings and structures as the office premise, warehouse and plant. The lease period of the land use right is 50 years, and the lease periods of the office premise, warehouse and plant are usually 2 to 10 years. Some leases include the options to extend the original lease contract by the same period when the lease period expires.

##### 2. Other leases

The Group has leased the transport equipment with a lease period of 1 to 3 years. In addition, certain of the Group's leases for offices and office equipment and other assets are short-term leases or leases of low-value assets, and the Group has selected to apply the provision of exemption from recognition and not recognized them as relevant right-of-use assets and lease liabilities.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XVIII) Provisions - product warranty

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Provision for warranty	<u>\$ 32,540</u>	<u>30,437</u>	<u>30,296</u>

The warranty provisions for products of the Group are mainly related to the industrial computer board cards and systems, and the warranty provision is estimated based on the historical warranty data of similar products.

### (XIX) Employee benefits

#### 1. Defined benefit plans

Since there were no significant market fluctuations, significant curtailments, settlements, or other significant one-off events after the reporting date of the prior fiscal year, the Group adopted the actuarial determined pension cost on December 31, 2024 and 2023 to measure and disclose pension costs for interim periods.

The reported expenses of the Group are detailed as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Operating costs	\$ 40	51	120	152
Operating expenses	4	24	13	71
	<u>\$ 44</u>	<u>75</u>	<u>133</u>	<u>223</u>

#### 2. Defined contribution plans

The reported expenses of the Group are detailed as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Operating costs	\$ 3,346	3,346	10,505	9,486
Operating expenses	14,924	13,684	44,318	40,527
	<u>\$ 18,270</u>	<u>17,030</u>	<u>54,823</u>	<u>50,013</u>

### (XX) Income taxes

#### 1. The income tax expenses of the Group are detailed as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Current income tax expense	\$ 44,663	37,687	140,893	91,877
Deferred income tax benefits	(4,574)	575	(14,964)	(1,779)
	<u>\$ 40,089</u>	<u>38,262</u>	<u>125,929</u>	<u>90,098</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

2. The details of income tax expenses recognized by the Group under other comprehensive income are as follows:

	<b>July to September 2025</b>	<b>July to September 2024</b>	<b>January to September 2025</b>	<b>January to September 2024</b>
Items that will not be reclassified to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ <u>145</u>	<u>84</u>	<u>130</u>	<u>1,385</u>

3. Circumstances of income tax approval

The Company's profit-seeking enterprise income tax has been approved by the tax authority for the year 2023.

### (XXI) Capital and other equities

Besides the descriptions mentioned below, there were no significant changes in capital and other equities in the consolidated financial statements for the six months ended September 30, 2025 and 2024. For the related information, please refer to Note VI (XXI) of the consolidated financial statements for the year ended December 31, 2024.

1. Share capital - ordinary shares

As of September 30, 2025, December 31 and September 30, 2024, the total authorized capital of the Company was NTD1,772,000 thousand, which was divided into 177,200 thousand shares at NTD10 per share. The number of issued shares were both 114,489 thousand shares. The reserved capital for issuance of stock options to employees in the authorized share capital is 20,000 thousand shares.

2. Capital surplus

The Company's capital reserve balance is analyzed as follows:

	<b>2025.9.30</b>	<b>2024.12.31</b>	<b>2024.9.30</b>
Share premium	\$ 599,203	599,203	599,203
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	183,410	183,410	40,061
Recognized changes in percentage of ownership interests in subsidiaries	90,755	90,577	58,982
Gain on asset disposal	808	808	808
Others	24,600	24,133	24,053
	<b>\$ <u>898,776</u></b>	<b><u>898,131</u></b>	<b><u>723,107</u></b>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

Pursuant to the provisions of the Company Act, the capital surplus shall be first used to recover the loss before it is distributed as the realized capital surplus to the shareholders based on their respective shareholding ratios in the form of new shares or cash. If the aforementioned is done in cash, is authorized to be resolved by the Board of Directors and reported to the Shareholders' Meeting. The realized capital surplus as termed in the preceding sentence includes the proceeds from the shares issued at a premium over the face value and the income from the acceptance of donations. Pursuant to the provision of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the capital surplus shall be accrued out of the capital, and the total amount accrued every year shall be no higher than ten percent of the paid-in capital.

### 3. Retained earnings and dividend policy

Under the provision of the Articles of Association of the Company, if there are any earnings in the final settlement, it shall first accrue the tax, make up the accumulated loss, and then set aside 10% as the legal surplus reserve, except when the legal surplus reserve has reached the paid-in capital of the Company. If there are any earnings after the special surplus reserve is set aside or reversed in accordance with the law, the Board of Directors shall formulate the earnings distribution proposal together with the accumulated unappropriated earnings and submit them to the Shareholders' Meeting for dividend distribution. The Board of Directors is authorized to make a resolution to distribute and report to the Shareholders' Meeting if the earnings distribution shall be in the form of cash dividends.

According to the Articles of Association of the Company, due to the fierce competition in the industry, the volatile environment, and the stable growth stage of the Company's life cycle, to effectively master the Company's future investment opportunities, working capital needs, and long-term financial planning, and to meet shareholders' cash inflow needs, the Board of Directors formulates the earnings distribution proposal should take into account the general distribution level of the relevant industry and adopt a balanced dividend policy, and distribute according to the principle of prudence. If the Company's annual final settlement has earnings of 2% of the capital, the dividend distribution should not be less than 10% of the distributable earnings for the year, and the proportion of cash dividends paid each year should not be less than 10% of the total of cash and stock dividends paid for the year.

#### (1) Legal reserve

Pursuant to the provision of the Company Act, when the Company makes no loss, it may, by resolution of the Shareholders' Meeting, distribute the legal surplus reserve in the form of new shares or in cash to the extent that such legal reserve exceeds 25% of the total paid-in capital. If the aforementioned is done

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

in cash, is authorized to be resolved by the Board of Directors and reported to the Shareholders' Meeting.

(2) Special reserve

Under the regulations issued by the Financial Supervisory Commission, when distributing the distributable earnings, for the net deductibles of other shareholders' equity incurred in the current year, the Company shall accrue the special surplus reserve in the same amount out of the amount of current after-tax net income added to the current unappropriated earnings, including items other than current after-tax net income and the unappropriated earnings in the previous period, and for the deductibles of other shareholders' equity accumulated in the previous period, the Company shall not distribute the special surplus reserve in the same amount accrued out of the unappropriated earnings in the previous period. If deductibles of other shareholders' equity are reversed in future, the reversed portion may be distributed as earnings.

4. Distribution of earnings

On February 25, 2025, and March 4, 2024, the Board of Directors of the Company resolved the amount of cash dividends and distribution amounts for the years ended December 31, 2024 and 2023, respectively. On May 22, 2025, and May 31, 2024, the annual shareholders' meeting resolved the other earnings distribution proposal for the years ended December 31, 2024 and 2023, respectively. The relevant distribution amounts were as follows:

	2024		2023	
	Dividend per share (NTD)	Amount	Dividend per share (NTD)	Amount
Legal reserve		<u>\$ 43,858</u>		<u>36,913</u>
Special reserve		<u>\$ 13,775</u>		<u>17,750</u>
Dividends distributed to owners of common stock:				
Cash dividends	3.4	<u>389,262</u>	3.0	<u>343,467</u>

The information regarding the earnings distribution can be found on the MOPS (Market Observation Post System).

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 5. Other equities (net amount after tax)

	<b>Exchange differences on translating the financial statements of foreign operations</b>	<b>Unrealized gain (loss) on financial assets at fair value through other comprehensiv e income</b>	<b>Total</b>
Balance as of January 1, 2025	\$ (70,975)	1,409	(69,566)
Exchange difference from conversion of net assets of foreign operating organizations	(32,235)	-	(32,235)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	(445)	(445)
Balance as of September 30, 2025	<u>\$ (103,210)</u>	<u>964</u>	<u>(102,246)</u>
Balance as of January 1, 2024	\$ (97,599)	41,808	(55,791)
Exchange difference from conversion of net assets of foreign operating organizations	35,577	-	35,577
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	8,914	8,914
Disposal of partial ownership interests in subsidiaries	47	(11)	36
Balance as of September 30, 2024	<u>\$ (61,975)</u>	<u>50,711</u>	<u>(11,264)</u>

### 6. Non-controlling interests (net amount after tax)

	<b>January to September 2025</b>	<b>January to September 2024</b>
Beginning balance	\$ 2,325,485	1,820,846
Shares attributable to non-controlling interests:		
Net profit for the period	101,393	38,779
Exchange differences on translating the financial statements of foreign operations	(17,928)	19,090
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(179)	(214)
Income taxes related to other comprehensive income	(93)	(986)
Non-controlling interests adjustments	(1,171)	-
Disposal of partial ownership interests in subsidiaries	-	7,736
Cash dividends distributed by subsidiaries to non-controlling interests	(68,050)	(31,619)
Changes in ownership interests in subsidiaries	189	50,157
Acquisition of subsidiaries	-	301,768
Ending balance	<u>\$ 2,339,646</u>	<u>2,205,557</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XXII) Earnings per share

#### 1. Basic earnings per share

	<b>July to September 2025</b>	<b>July to September 2024</b>	<b>January to September 2025</b>	<b>January to September 2024</b>
Net profit attributable to ordinary shareholders of the Company	<u>\$ 75,265</u>	<u>92,033</u>	<u>283,412</u>	<u>216,867</u>
Weighted average number of outstanding ordinary shares (in thousands of shares)	<u>114,489</u>	<u>114,489</u>	<u>114,489</u>	<u>114,489</u>
Basic earnings per share (NTD)	<u>\$ 0.66</u>	<u>0.80</u>	<u>2.48</u>	<u>1.89</u>

#### 2. Diluted earnings (loss) per share

	<b>July to September 2025</b>	<b>July to September 2024</b>	<b>January to September 2025</b>	<b>January to September 2024</b>
Net profit attributable to ordinary shareholders of the Company	<u>\$ 75,265</u>	<u>92,033</u>	<u>283,412</u>	<u>216,867</u>
Weighted average number of outstanding ordinary shares (in thousands of shares)	114,489	114,489	114,489	114,489
Effects of potential ordinary shares with dilution effect (in thousands of shares):				
Effects of employee stock compensation	<u>369</u>	<u>263</u>	<u>460</u>	<u>390</u>
Weighted average number of outstanding ordinary shares (after adjusting the number of dilution potential common shares) (in thousands of shares)	<u>114,858</u>	<u>114,752</u>	<u>114,949</u>	<u>114,879</u>
Diluted earnings per share (NTD)	<u>\$ 0.66</u>	<u>0.80</u>	<u>2.47</u>	<u>1.89</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### (XXIII) Revenue from customer contracts

#### 1. Breakdown of revenue

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Main products and services:				
Industrial computer board cards and systems	\$ 1,446,098	1,398,279	4,334,918	3,853,936
Industrial automation intelligence	601,914	530,817	1,654,257	1,495,124
Equipment and consumables	337,421	206,943	1,069,784	206,943
Others	<u>387,025</u>	<u>388,765</u>	<u>1,212,723</u>	<u>1,042,763</u>
	<u><b>\$ 2,772,458</b></u>	<u><b>2,524,804</b></u>	<u><b>8,271,682</b></u>	<u><b>6,598,766</b></u>

#### 2. Balance of contracts

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Notes and accounts receivable (including related parties)	\$ 2,168,859	2,428,510	2,133,854
Less: Loss allowance	<u>(27,055)</u>	<u>(36,526)</u>	<u>(22,727)</u>
	<u><b>\$ 2,141,804</b></u>	<u><b>2,391,984</b></u>	<u><b>2,111,127</b></u>
Contract assets	<u><b>\$ 18,659</b></u>	<u><b>11,383</b></u>	<u><b>12,070</b></u>
Contract liabilities	<u><b>\$ 108,736</b></u>	<u><b>114,118</b></u>	<u><b>105,409</b></u>

For the disclosure of notes receivable, accounts receivable (including related parties) and their impairments, please see Note VI (V) for details.

The contract assets and liabilities mainly come from the difference between the time point of satisfying the performance obligation when the Group transfers goods to a customer and the time point of the customer's payment. The beginning balances of contract liabilities as of January 1, 2025 and 2024 were recognized as income of NTD96,959 thousand and NTD95,859 thousand, respectively, for the nine months ended June 30, 2025 and 2024.

### (XXIV) Compensation of employees and directors

On May 22, 2025, the Company's shareholders resolved to amend the Articles of Incorporation. Pursuant to the amended Articles, if the Company has profits in a given fiscal year, 5% and 20% of such profits shall be allocated as employee compensation, and no more than 1% for director compensation. Of the employee compensation, the distribution of compensation for entry-level employees shall not be less than 10% of the total employee compensation mentioned above. But if the Company still has an accumulated loss, a certain amount should be reserved in advance for offsetting. Under the Articles of Incorporation prior to the amendment, the Company shall set aside at least

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

5-20% of the earnings, if any, in the year as compensation to the employees and no greater than 1% as compensation to directors. But if the Company still has an accumulated loss, a certain amount should be reserved in advance for offsetting. The beneficiaries of the aforesaid employees' compensation, if distributed in stock or in cash, shall include the employees of the controlled companies or affiliates of the Company who meet certain conditions.

For the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, the estimated employee compensations of the Company were NTD6,579 thousand, NTD8,266 thousand, NTD25,268 thousand, and NTD20,255 thousand respectively; and the estimated director compensations were NTD705 thousand, NTD886 thousand, NTD2,707 thousand and NTD2,168 thousand respectively, which were estimated based on the Company's pre-tax net income before deducting the compensations of employees and directors multiplied by the Company's proposed distribution rate of compensations of employees and directors for each period, and were reported as operating costs or operating expenses for each such period. If the actually distributed amount of next year is different from the estimate, the difference will be treated as an accounting estimate change and listed in the profit and loss of next year.

The estimated employee compensation amounts for the Company in 2024 and 2023 are NTD36,219 thousand and NTD35,191 thousand, respectively. The estimated director compensation amounts are NTD3,878 thousand and NTD3,744 thousand, respectively. There is no discrepancy with the actual distribution. Relevant information can be found on the Market Observation Post System.

### (XXV) Non-operating income and expenses

#### 1. Interest income

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Interest on bank deposit	\$ 4,769	3,744	14,986	11,743
Interest income from financial assets measured at amortized cost	4	37	164	280
Interest on deposits	-	-	2	5
Interest on financial assets measured at fair value through profit or loss	-	-	638	570
Others	-	9	4	33
	<u>\$ 4,773</u>	<u>3,790</u>	<u>15,794</u>	<u>12,631</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 2. Other income

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Rental income	\$ 852	2,208	2,556	6,626
Dividend income	-	-	339	5,589
Government subsidy income	8,498	-	8,498	-
Others	1,515	3,053	9,903	13,759
	<u>\$ 10,865</u>	<u>5,261</u>	<u>21,296</u>	<u>25,974</u>

### 3. Other gain and loss

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Gain (loss) on disposal of property, plant and equipment	\$ -	-	(7)	901
Gain on liquidation of subsidiary	-	-	-	4,360
Gain (Loss) on lease amendment	20	-	3,764	(13)
Net gains (losses) on foreign currency exchange	44,281	(19,458)	(78,858)	38,947
Gain (Loss) on financial instruments at fair value through profit or loss	(40,700)	(1,300)	36,494	(79,246)
Other gain (loss)	(841)	1,589	(953)	2,144
	<u>2,760</u>	<u>(19,169)</u>	<u>(39,560)</u>	<u>(32,907)</u>

### 4. Finance costs

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Bank interest expenses	\$ 11,418	13,199	32,922	32,250
Interest expense on corporate bonds	5,655	834	16,865	834
Financial expenses on lease liabilities	1,284	1,839	4,461	4,957
	<u>18,357</u>	<u>15,872</u>	<u>54,248</u>	<u>38,041</u>

### (XXVI) Financial instruments

Besides the descriptions mentioned below, there are no significant changes in the fair value of financial instruments, and credit risk, liquidity risk, and market risk due to the exposure of financial instruments of the Group. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2024.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 1. Types of financial instruments

#### (1) Financial assets

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Financial assets at fair value through profit or loss - current	\$ 23,988	28,351	35,752
Financial assets at fair value through other comprehensive income - non-current	59,385	59,972	166,400
Financial assets measured at amortized cost:			
Cash and cash equivalents	2,155,736	2,512,850	2,469,074
Financial assets measured at amortized cost - current	20,380	2,726	2,726
Notes receivable, accounts receivable, and other receivables (including related parties)	2,174,620	2,410,830	2,142,113
Financial assets at amortized cost - non-current	3,197	3,420	3,327
Refundable deposits (reported in other non-current assets)	39,066	32,672	31,827
Subtotal	<u>4,392,999</u>	<u>4,962,498</u>	<u>4,649,067</u>
Total	<u>\$ 4,476,372</u>	<u>5,050,821</u>	<u>4,851,219</u>

#### (2) Financial liabilities

	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Financial liabilities measured at fair value through profit or loss - current:			
Held for trading	\$ 5,827	9,265	3,892
Preferred share liabilities - current	-	165,559	197,197
Subtotal	<u>5,827</u>	<u>174,824</u>	<u>201,089</u>
Financial liabilities measured at amortized cost:			
Notes payable, accounts payable and other payables (including related parties)	2,159,917	2,198,360	2,057,974
Short-term borrowings	1,208,634	1,388,927	1,905,356
Corporate bonds payable	952,939	936,074	466,265
Long-term borrowings (including the part due within one year)	964,000	850,000	1,000,000
Lease liabilities (including current and non-current)	192,443	273,498	298,864
Subtotal	<u>5,477,933</u>	<u>5,646,859</u>	<u>5,728,459</u>
Total	<u>\$ 5,483,760</u>	<u>5,821,683</u>	<u>5,929,548</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### 2. Liquidity risk

The following table shows the contractual maturity date of financial liabilities, including the impact of estimated interest, and prepared at the undiscounted cash flow.

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>5 years and above</u>
<b>September 30, 2025</b>					
Non-derivative financial liabilities:					
Short-term borrowings (floating rates)	\$ 1,216,263	1,216,263	-	-	-
Corporate bonds payable	1,000,000	-	500,000	500,000	-
Long-term borrowings (floating rates)	988,923	364,832	412,744	211,347	-
Notes payable, accounts payable and other payables (including related parties; no interest)	2,159,917	2,159,917	-	-	-
Lease liabilities (including current and non-current)	<u>200,666</u>	<u>75,965</u>	<u>46,532</u>	<u>73,223</u>	<u>4,946</u>
Subtotal	<u>5,565,769</u>	<u>3,816,977</u>	<u>959,276</u>	<u>784,570</u>	<u>4,946</u>
Derivative financial instruments:					
Forward foreign exchange contracts - gross delivery					
Outflow	600,239	600,239	-	-	-
Inflow	(601,150)	(601,150)	-	-	-
Foreign exchange SWAP contracts - gross delivery					
Outflow	910,004	910,004	-	-	-
Inflow	<u>(905,441)</u>	<u>(905,441)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>3,652</u>	<u>3,652</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$ 5,569,421</u></b>	<b><u>3,820,629</u></b>	<b><u>959,276</u></b>	<b><u>784,570</u></b>	<b><u>4,946</u></b>
<b>December 31, 2024</b>					
Non-derivative financial liabilities:					
Short-term borrowings (floating rates)	\$ 1,392,050	1,392,050	-	-	-
Preferred share liabilities	165,559	165,559	-	-	-
Corporate bonds payable	1,000,000	-	-	1,000,000	-
Long-term borrowings (floating rates)	873,268	101,670	759,437	12,161	-
Notes payable, accounts payable and other payables (including related parties; no interest)	2,198,360	2,198,360	-	-	-
Lease liabilities	<u>284,717</u>	<u>100,891</u>	<u>84,762</u>	<u>82,988</u>	<u>16,076</u>
Subtotal	<u>5,913,954</u>	<u>3,958,530</u>	<u>844,199</u>	<u>1,095,149</u>	<u>16,076</u>
Derivative financial instruments:					
Forward foreign exchange contracts - gross delivery					
Outflow	745,441	745,441	-	-	-
Inflow	(746,875)	(746,875)	-	-	-
Foreign exchange SWAP contracts - gross delivery					
Outflow	936,675	936,675	-	-	-
Inflow	<u>(928,292)</u>	<u>(928,292)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>6,949</u>	<u>6,949</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>\$ 5,920,903</u></b>	<b><u>3,965,479</u></b>	<b><u>844,199</u></b>	<b><u>1,095,149</u></b>	<b><u>16,076</u></b>
<b>September 30, 2024</b>					
Non-derivative financial liabilities:					
Short-term borrowings (floating rates)	\$ 1,910,153	1,910,153	-	-	-

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>5 years and above</u>
rates)					
Preferred share liabilities	197,197	197,197	-	-	-
Corporate bonds payable	500,000	-	-	500,000	-
Long-term borrowings (floating rates)	1,031,534	129,282	902,252	-	-
Notes payable, accounts payable and other payables (including related parties; no interest)	2,057,974	2,057,974	-	-	-
Lease liabilities (including current and non-current)	311,921	104,872	97,020	90,243	19,786
Subtotal	<u>6,008,779</u>	<u>4,399,478</u>	<u>999,272</u>	<u>590,243</u>	<u>19,786</u>
Derivative financial instruments:					
Forward foreign exchange contracts - gross delivery					
Outflow	618,751	618,751	-	-	-
Inflow	(616,431)	(616,431)	-	-	-
Foreign exchange SWAP contracts - gross delivery					
Outflow	962,770	962,770	-	-	-
Inflow	(971,370)	(971,370)	-	-	-
Subtotal	<u>(6,280)</u>	<u>(6,280)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,002,499</u>	<u>4,393,198</u>	<u>999,272</u>	<u>590,243</u>	<u>19,786</u>

The Group doesn't expect the time point of the cash flow under the maturity date analysis will come much earlier or the actual amount will be substantially different.

### 3. Exchange rate risk

The carrying value of monetary assets and liabilities not denominated in functional currency (including monetary items denominated in non-functional currencies that have been written off in the consolidated financial statements) of the Group at the reporting date and their sensitivity to changes in foreign currencies are analyzed as follows (monetary unit: In thousands of NTD):

<b>2025.9.30</b>					
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Exchange rate fluctuation</u>	<u>Profit and loss influence (before tax)</u>
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$	61,941	30.4450	1,885,804	18,858
USD (Note 2)		2,957	7.1191	90,016	900
RMB		4,333	4.2765	18,531	185
JPY		25,907	0.2059	5,334	53
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)		29,075	30.4450	885,195	8,852
USD (Note 2)		15,181	7.1191	462,186	4,622
JPY		11,725	0.2059	2,414	24

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

2024.12.31					
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Exchange rate fluctuation</u>	<u>Profit and loss influence (before tax)</u>
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$ 56,665	32.7850	1,857,766	1%	18,578
USD (Note 2)	2,931	7.2993	96,084	1%	961
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)	21,191	32.7850	694,734	1%	6,947
USD (Note 2)	16,397	7.2993	537,576	1%	5,376
JPY	11,705	0.2099	2,457	1%	25
2024.9.30					
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Exchange rate fluctuation</u>	<u>Profit and loss influence (before tax)</u>
<u>Financial assets</u>					
<u>Monetary items</u>					
USD (Note 1)	\$ 56,985	31.6500	1,803,585	1%	18,036
USD (Note 2)	3,427	7.0126	108,463	1%	1,085
RMB	31	4.5133	142	1%	1
JPY	11,512	0.2223	2,559	1%	26
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD (Note 1)	21,845	31.6500	691,384	1%	6,914
USD (Note 2)	14,294	7.0126	452,408	1%	4,524
JPY	7,847	0.2223	1,744	1%	17

Note 1: Exchange rate between USD and NTD.

Note 2: Exchange rate between USD and RMB.

Due to the wide variety of functional currencies of the Group, the exchange gain or loss of monetary items are disclosed through consolidation. Please refer to Note VI (XXV) for details of foreign currency exchange (loss) gain (including realized and unrealized) for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024.

#### 4. Fair value

##### (1) Financial instruments not measured at fair value

The management of the Group believes that the carrying amounts of the financial assets and liabilities of the Group classified as amortized cost in the consolidated financial statements are close to their fair value.

##### (2) Financial instruments measured at fair value

The Group's financial assets/liabilities measured at fair value through profit and loss and the financial assets measured at fair value through other comprehensive income are measured at fair value on the basis of repeatability.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The following table provides relevant analysis of the financial instruments measured at fair value after initial recognition and classifies these assets into levels 1 to 3 based on the observable extent of fair value. Different fair value levels are defined as follows:

- A. Level 1: Open quotation of the same asset or liability in the active market (without adjustment).
- B. Level 2: The input parameter of the asset or liability is directly observable (namely price) or indirectly observable (namely, inferred from price), except for the open quotations included in level 1.
- C. Level 3: The input parameters of assets or liabilities are not based on observable market data (non-observable parameters).

	<b>2025.9.30</b>			
	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	\$ -	1,267	-	1,267
Derivative financial instruments - Foreign exchange swaps contracts	-	908	-	908
Fund beneficial interest certificates	21,413	-	-	21,413
Redemption option of convertible bonds	-	-	400	400
	<b><u>\$ 21,413</u></b>	<b><u>2,175</u></b>	<b><u>400</u></b>	<b><u>23,988</u></b>
Financial assets measured at fair value through other comprehensive income:				
Foreign unlisted stocks	\$ -	-	59,385	59,385
	<b><u>\$ -</u></b>	<b><u>-</u></b>	<b><u>59,385</u></b>	<b><u>59,385</u></b>
Financial liabilities measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	\$ -	356	-	356
Derivative financial instruments - Foreign exchange swaps contracts	-	5,471	-	5,471
	<b><u>\$ -</u></b>	<b><u>5,827</u></b>	<b><u>-</u></b>	<b><u>5,827</u></b>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

		2024.12.31			
		Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss:					
Derivative financial instruments - Forward foreign exchange contracts	\$	-	2,316	-	2,316
Fund beneficial interest certificates		22,135	-	-	22,135
Redemption option of convertible bonds		-	-	3,900	3,900
	<b>\$</b>	<b>22,135</b>	<b>2,316</b>	<b>3,900</b>	<b>28,351</b>
Financial assets measured at fair value through other comprehensive income:					
Foreign unlisted stocks	\$	-	-	59,972	59,972
	<b>\$</b>	<b>-</b>	<b>-</b>	<b>59,972</b>	<b>59,972</b>
Financial liabilities measured at fair value through profit or loss:					
Derivative financial instruments - Forward foreign exchange contracts	\$	-	882	-	882
Derivative financial instruments - Foreign exchange swaps contracts		-	8,383	-	8,383
Preferred share liabilities		-	-	165,559	165,559
	<b>\$</b>	<b>-</b>	<b>9,265</b>	<b>165,559</b>	<b>174,824</b>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

	<b>2024.9.30</b>			
	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	\$ -	1,572	-	1,572
Derivative financial instruments - Foreign exchange swaps contracts	-	8,600	-	8,600
Fund beneficial interest certificates	23,130	-	-	23,130
Redemption option of convertible bonds	-	-	2,450	2,450
	<b><u>\$ 23,130</u></b>	<b><u>10,172</u></b>	<b><u>2,450</u></b>	<b><u>35,752</u></b>
Financial assets measured at fair value through other comprehensive income:				
Domestic				
Over-the-Counter stocks	\$ 107,302	-	-	107,302
Foreign unlisted stocks	-	-	59,098	59,098
	<b><u>\$ 107,302</u></b>	<b><u>-</u></b>	<b><u>59,098</u></b>	<b><u>166,400</u></b>
Financial liabilities measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	\$ -	3,892	-	3,892
Preferred share liabilities	-	-	197,197	197,197
	<b><u>\$ -</u></b>	<b><u>3,892</u></b>	<b><u>197,197</u></b>	<b><u>201,089</u></b>

(3) Fair value measurement techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

If there is an open quotation for the financial instrument in the active market, the open quotation in the active market shall be the fair value.

Except for financial instruments with active markets, fair values of the other financial instruments are obtained with valuation techniques or counterparty quotations. Evaluation technique-based fair value may be calculated by referring to the current fair value of other financial instruments with similar substantial conditions and characteristics, or discounted cash flow or other evaluation techniques, including market information application mode available on the reporting date.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The fair values of the financial instruments held by the Group are presented in terms of type and attribute as follows:

TWSE/TPEX listed stocks and fund beneficiary certificates have standard terms and conditions and are traded in active markets, and their fair values are determined in accordance with market quotations.

For financial instruments held by the Group, such as unlisted stocks with no active market, the fair value is primarily estimated using the market approach, based on factors such as the net worth, operational status, and the total market value of the individual assets and liabilities of the evaluated company. In addition, the main unobservable input is the liquidity discount. However, since potential fluctuations in the liquidity discount would not have a significant financial impact, its quantitative information will not be disclosed. The fair value of financial liabilities measured at fair value through profit or loss (preferred share liabilities) is determined based on a discounted cash flow analysis.

### B. Derivative financial instruments

They are valued with the valuation model generally accepted by market participants. Forward foreign exchange contracts and foreign exchange swap contracts are usually valued in line with the current forward exchange rate. The redemption rights of convertible bonds are evaluated using an appropriate option pricing model.

#### (4) Transfer between fair value levels

There were no transfers of fair value levels of any financial asset and financial liability for the nine months ended September 30, 2025 and 2024.

#### (5) Detailed statement on changes in level 3

Financial assets measured at fair value through profit or loss:

	<b>January to September 2025</b>	<b>January to September 2024</b>
Beginning balance	\$ 3,900	-
Addition in current period	-	1,850
Recognized in profit and loss in current period	(3,500)	600
Ending balance	<u>\$ 400</u>	<u>2,450</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

Financial assets measured at fair value through other comprehensive income:

	<b>January to September 2025</b>	<b>January to September 2024</b>
Beginning balance	\$ 59,972	9,400
Addition in current period	-	50,000
Changes recognized in other comprehensive incomes in current period	<u>(587)</u>	<u>(302)</u>
Ending balance	<u><b>\$ 59,385</b></u>	<u><b>59,098</b></u>

Financial liabilities measured at fair value through profit or loss:

	<b>January to September 2025</b>	<b>January to September 2024</b>
Beginning balance	\$ 165,559	-
Impact from initial consolidation of subsidiary	-	196,797
Payments made during the current period	(165,754)	-
Recognized in profit and loss in current period	<u>195</u>	<u>400</u>
Ending balance	<u><b>\$ -</b></u>	<u><b>197,197</b></u>

### (XXVII) Financial risk management

There were no significant changes in the objectives and policies of the Group's financial risk management compared to those disclosed in the consolidated financial statements for the year ended December 31, 2024.

### (XXVIII) Capital management

There were no significant changes in the objectives, policies and procedures of the Group's financial risk management compared to those disclosed in the consolidated financial statements for the year ended December 31, 2024.

### (XXIX) Non-cash transactions in investing and financing activities

1. Please refer to Note VI (X) for the right-of-use assets acquired by the Group through lease.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

2. The liabilities arising from financing activities are reconciled in the following table:

	<u>2025.1.1</u>	<u>Cash flows</u>	<u>Non-cash change</u>		<u>2025.9.30</u>
			<u>Increase or decrease in lease liabilities</u>	<u>Exchange rate changes and others</u>	
Short-term borrowings	\$ 1,388,927	(169,841)	-	(10,452)	1,208,634
Long-term borrowings (including the part due within one year)	850,000	114,000	-	-	964,000
Preferred share liabilities	165,559	(165,754)	-	195	-
Corporate bonds payable	936,074	-	-	16,865	952,939
Lease liabilities	<u>273,498</u>	<u>(67,071)</u>	<u>(3,656)</u>	<u>(10,328)</u>	<u>192,443</u>
Total liabilities from financing activities	<u>\$ 3,614,058</u>	<u>(288,666)</u>	<u>(3,656)</u>	<u>(3,720)</u>	<u>3,318,016</u>

	<u>2024.1.1</u>	<u>Cash flows</u>	<u>Non-cash change</u>			<u>2024.9.30</u>
			<u>Impact from initial consolidation of subsidiary</u>	<u>Increase or decrease in lease liabilities</u>	<u>Exchange rate changes and others</u>	
Short-term borrowings	\$ 1,079,645	815,567	-	-	10,144	1,905,356
Long-term borrowings (including the part due within one year)	800,000	200,000	-	-	-	1,000,000
Preferred share liabilities	-	-	196,797	-	400	197,197
Corporate bonds payable	-	566,323	-	-	(100,058)	466,265
Lease liabilities	<u>248,107</u>	<u>(61,621)</u>	<u>66,327</u>	<u>43,015</u>	<u>3,036</u>	<u>298,864</u>
Total liabilities from financing activities	<u>\$ 2,127,752</u>	<u>1,520,269</u>	<u>263,124</u>	<u>43,015</u>	<u>(86,478)</u>	<u>3,867,682</u>

## VII. Related Party Transactions

### (I) Parent company and ultimate controller

Qisda Corporation (Qisda) is the ultimate controller of the parent company and affiliated group of the Company, directly or indirectly holding 55.09% of the Company's outstanding ordinary shares. Qisda has prepared consolidated financial reports for public use.

### (II) Names and relationships of related parties

The related parties who had transactions with the Group during the reporting period covered by this consolidated financial report are as follows:

<u>Name of related party</u>	<u>Relationship with the Group</u>
Qisda Corporation (Qisda)	Parent company of the Company
APLEX Technology Inc.	Associate of the Company (Note 1)
Other related parties:	
Partner Tech Corp.	Subsidiaries directly or indirectly held by Qisda
Partner Tech Asia Pacific	Subsidiaries directly or indirectly held by Qisda
Alpha Networks Inc.	Subsidiaries directly or indirectly held by Qisda
BenQ Materials Corp.	Subsidiaries directly or indirectly held by Qisda
BenQ Asia Pacific Corp.	Subsidiaries directly or indirectly held by Qisda

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

<u>Name of related party</u>	<u>Relationship with the Group</u>
BenQ Healthcare Corporation	Subsidiaries directly or indirectly held by Qisda
Metaguru Corporation	Subsidiaries directly or indirectly held by Qisda
BenQ Guru Software Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
BenQ Corp.	Subsidiaries directly or indirectly held by Qisda
Qisda Vietnam Co., Ltd.,	Subsidiaries directly or indirectly held by Qisda
BenQ Technology (Shanghai) Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
DIVA Laboratories, Ltd.	Subsidiaries directly or indirectly held by Qisda
Expert Alliance Systems & Consultancy (HK) Company Limited	Subsidiaries directly or indirectly held by Qisda
Corex (Pty) Ltd.,	Subsidiaries directly or indirectly held by Qisda
Simula Technology Inc.	Subsidiaries directly or indirectly held by Qisda
Golden Spirit Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Data Image Corporation	Subsidiaries directly or indirectly held by Qisda
Action Star Technology Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Metaage Corporation	Subsidiaries directly or indirectly held by Qisda
Lily Medical Corp.	Subsidiaries directly or indirectly held by Qisda
AdvancedTEK International Corp.	Subsidiaries directly or indirectly held by Qisda
Global Intelligence Network Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Concord Medical Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Qisda Electronics (Suzhou) Co. Ltd.	Subsidiaries directly or indirectly held by Qisda
Suzhou BenQ Hospital Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Qisda Optronics (Suzhou) Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Qisda (Suzhou) Co. Ltd.	Subsidiaries directly or indirectly held by Qisda
Cenefom Corp.	Subsidiaries directly or indirectly held by Qisda
Epic Cloud Co.,Ltd.	Subsidiaries directly or indirectly held by Qisda
Brainstorm Corporation	Subsidiaries directly or indirectly held by Qisda
AUO Corporation (AUO)	Corporate Director of Qisda Corporation
AUO (Xiamen) Co., Ltd.	Subsidiaries directly or indirectly held by AUO
AUO Digitech Taiwan Inc.	Subsidiaries directly or indirectly held by AUO
AUO Crystal Corp.	Subsidiaries directly or indirectly held by AUO
Darwin Precisions Corporation	Subsidiaries directly or indirectly held by AUO
AUO Display Plus Corp.	Subsidiaries directly or indirectly held by AUO
Visco Vision Inc.	Associates of Qisda
Darfon Electronics Corporation (Darfon)	Associates of Qisda
Marketop Smart Solutions Co., Ltd.	Associates of Qisda
TD HiTech Energy Inc.	Subsidiaries directly or indirectly held by Darfon
Unictron Technologies Corp.	Subsidiaries directly or indirectly held by Darfon
Darfon Energy Technology Corporation	Subsidiaries directly or indirectly held by Darfon
BenQ Foundation	Substantial related party of Qisda

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

<u>Name of related party</u>	<u>Relationship with the Group</u>
Suzhou BenQ Foundation	Substantial related party of Qisda
Aewin Korea Technologies Co., Ltd.	Substantive related party of AEWIN
Aplex Singapore Pte Ltd	Other related parties (Associate of APLEX)

Note 1: Starting from December 24, 2024, became an associate of the Company.

### (III) Material transactions with related party

#### 1. Net operating revenue

The material sales amount of the Group to the related parties is as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Parent company	\$ 91,413	33,316	169,107	92,036
Associate	6,245	-	17,913	-
Other related parties	58,966	72,286	212,175	173,044
	<u>\$ 156,624</u>	<u>105,602</u>	<u>399,195</u>	<u>265,080</u>

Sales of the Group to related parties involve customary products made to order based on the customer demand, so the price is determined by both parties through negotiation. The credit term for related parties is 60 to 90 days after shipment for receipt of payment, and 30 to 120 days for non-related parties.

#### 2. Purchases

The purchase amount of the Group from the related parties is as follows:

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Parent company	\$ 74,195	54,338	235,378	105,287
Associate	871	-	1,651	-
Other related parties	6,722	4,860	15,673	9,261
	<u>\$ 81,788</u>	<u>59,198</u>	<u>252,702</u>	<u>114,548</u>

The purchases from related parties by the Group are customized products tailored to the requirements of the order, and, therefore, the selling price is mutually agreed. The credit term for related parties is 60 to 90 days after shipment, and for non-related parties is 30 to 120 days after monthly settlement.

#### 3. Leases

The Group has leased plants and offices from the parent company and signed the lease contracts based on the rent prices in the adjacent areas. The total value of increased right-of-use assets from January 1, 2024 to September 30, 2024 is NTD1,268 thousand.

The Group has recognized interest expenses of NTD225 thousand and NTD267 thousand for the three months ended September 30, 2025 and 2024, respectively;

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

NTD707 thousand and NTD833 thousand for the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025, December 31 and September 30, 2024, the balances of related lease liabilities were NTD76,534 thousand, NTD87,338 thousand, and NTD90,919 thousand, respectively.

### 4. Property transaction

<u>Category of related party</u>	<u>Item</u>	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Other related parties	Property, plant and equipment	\$ -	-	112	-
Other related parties	Computer software	220	3,024	331	3,024

### 5. Operating costs, expenses, and other income

The operating costs and expenses incurred by the Group due to the provision of product processing and management services by related parties, as well as other income generated by other transactions, are detailed below:

<u>Item</u>	<u>Category of related party</u>	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Operating costs	Parent company	\$ 8,190	10,569	18,989	19,867
	Other related parties	179	476	986	1,024
Operating expenses	Parent company	1,944	1,392	5,036	3,479
	Other related parties	6,657	3,285	17,666	9,298
Other income	Parent company	-	33	-	910
	Other related parties	111	1,519	326	4,233

### 6. Receivables from related parties

Details of the receivables from related parties of the Group are as follows:

<u>Item</u>	<u>Category of related party</u>	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Accounts receivable - related parties	Parent company	\$ 108,084	73,181	77,352
	Associate	6,806	1,444	-
	Other related parties	55,958	81,713	65,931
		<u>170,848</u>	<u>156,338</u>	<u>143,283</u>
Other receivables	Parent company	510	1,128	87
	Other related parties	108	566	299
		<u>618</u>	<u>1,694</u>	<u>386</u>
		<u>\$ 171,466</u>	<u>158,032</u>	<u>143,669</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

The Group provides some of the raw materials to the parent company for manufacturing, while the completed semi-finished products are sold back to the Group for processing and assembly. The Group did not recognize the amount of raw materials provided to the parent company as operating income. Furthermore, the accounts receivable and payable arising from the sale of raw materials and the purchase of semi-finished products above were not collected and paid on a net basis; therefore, they were not expressed as mutual offset.

### 7. Payables to related parties

The payables of the Group to related parties are detailed as follows:

<u>Item</u>	<u>Category of related party</u>	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Accounts payable - related parties	Parent company	\$ 67,237	59,891	46,513
	Associate	512	-	-
	Other related parties	<u>4,344</u>	<u>7,040</u>	<u>4,614</u>
		<u>72,093</u>	<u>66,931</u>	<u>51,127</u>
Other payables	Parent company	7,396	5,958	7,110
	Other related parties	<u>4,394</u>	<u>3,265</u>	<u>4,708</u>
		<u>11,790</u>	<u>9,223</u>	<u>11,818</u>
Lease liabilities - current	Parent company	14,556	14,428	14,386
Lease liabilities - non-current	Parent company	<u>61,978</u>	<u>72,910</u>	<u>76,533</u>
		<u>76,534</u>	<u>87,338</u>	<u>90,919</u>
		<u>\$ 160,417</u>	<u>163,492</u>	<u>153,864</u>

### (IV) Compensation of main managerial officers

	<u>July to September 2025</u>	<u>July to September 2024</u>	<u>January to September 2025</u>	<u>January to September 2024</u>
Short-term employee benefits	<u>\$ 8,667</u>	<u>9,619</u>	<u>28,920</u>	<u>26,740</u>

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

### VIII. Pledged Assets

The details of the book-entry values of the asset pledged as collateral provided by the Group are detailed as follows:

<u>Asset name</u>	<u>Subject matter of pledge guarantee</u>	<u>2025.9.30</u>	<u>2024.12.31</u>	<u>2024.9.30</u>
Pledged certificate of deposit	Performance bond for release before tax to customs house	\$ 2,833	2,726	2,726
Pledged certificate of deposit	Performance bond	13,000	-	-
Notes receivable	Bank loan guarantee	-	59,918	77,428
Property, plant and equipment	Bank loan facility guarantee	433,568	439,077	440,913
Property, plant and equipment	Performance guarantee for purchases	14,559	19,456	20,946
		<u>\$ 463,960</u>	<u>521,177</u>	<u>542,013</u>

The aforesaid pledged time deposits are presented under the financial assets measured at amortized cost - current.

**IX. Significant Contingent Liabilities and Unrecognized Contract Commitments: None.**

**X. Significant Disaster Losses: None.**

**XI. Significant Events after the Balance Sheet Date: None.**

### XII. Others

(I) The employee benefits, depreciation and amortization expenses are summarized by function as follows:

By function	July to September 2025			July to September 2024		
	Attributable to operating cost	Attributable to operating expenses	Total	Attributable to operating cost	Attributable to operating expenses	Total
<b>By nature</b>						
Employee benefits expenses						
Salary expense	78,237	288,491	366,728	72,540	275,028	347,568
Labor and health insurance expenses	7,878	26,345	34,223	7,204	24,775	31,979
Pension expense	3,386	14,928	18,314	3,397	13,708	17,105
Other employee benefit expenses	4,689	13,796	18,485	4,323	13,728	18,051
Depreciation expenses	22,234	31,703	53,937	23,431	34,601	58,032
Amortization expenses	760	24,535	25,295	986	18,126	19,112

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

By function By nature	January to September 2025			January to September 2024		
	Attributable to operating cost	Attributable to operating expenses	Total	Attributable to operating cost	Attributable to operating expenses	Total
Employee benefits expenses						
Salary expense	237,682	859,205	1,096,887	193,226	791,200	984,426
Labor and health insurance expenses	24,267	79,025	103,292	20,329	74,909	95,238
Pension expense	10,625	44,331	54,956	9,638	40,598	50,236
Other employee benefit expenses	14,134	39,756	53,890	11,584	37,556	49,140
Depreciation expenses	70,101	99,975	170,076	69,482	95,838	165,320
Amortization expenses	2,477	73,048	75,525	3,022	30,691	33,713

(II) The Group's operation is not affected significantly by seasonal or periodical fluctuations.

### XIII. Supplementary Disclosures

(I) Information on Material Transactions:

1. Loan of funds to others: please refer to Table 1.
2. Endorsement and guarantee for others: None.
3. Significant securities held at the end of the period (excluding investments in subsidiaries, related enterprises, and equity joint ventures): None.
4. The amount of purchases or sales with related parties reached NTD100 million or 20% and above of the paid-in capital: please refer to Table 2.
5. Receivables from related parties reached NTD 100 million or 20% and above of paid-in capital: please refer to Table 3.
6. Business relationship and major transactions between the parent company and the subsidiaries: please refer to Table 4.

(II) Reinvestment and related information: please refer to Table 5.

(III) Investment information in Mainland China: please refer to Table 6.

### XIV. Segment Information

Starting from April 2025, the Group, based on the industry characteristics of its subsidiaries and the needs for synergy development, adjusted the organizational structure of its departments. The basis for the post-adjustment departmental segmentation differs from that adopted in the most recent consolidated financial statements. The purpose of this adjustment is to strengthen the integration of Group resources, enhance operational efficiency, and redefine the reportable segments to be disclosed. The structure and business overview of each reportable segment after the adjustment are as follows:

1. Board Cards & Systems Division: Engaged in the research and development, manufacturing and sales of boards and motherboards for industrial computers.

## Notes to Consolidated Financial Statements of DFI Inc. and Its Subsidiaries (Continued)

2. Industrial Automation Control Division: Engaged in testing, processing, trading, repairing and electromechanical integration of automation control and industrial transmission systems, semiconductor optoelectronic and consumables; and trading and servicing of energy management products.
3. Equipment and Consumables Division: Engaged in the production, manufacturing, and trading of bundling equipment.

Information and adjustments of the Group's operating segments are as follows:

<b>July to September 2025</b>					
	<b>Board cards and system segment</b>	<b>Industrial automation intelligence segment</b>	<b>Equipment and consumables</b>	<b>Adjustment and elimination</b>	<b>Total</b>
Revenue from external clients	\$ 1,562,513	872,524	337,421	-	2,772,458
Inter-departmental income	1,879	833	-	(2,712)	-
Total income	<b>\$ 1,564,392</b>	<b>873,357</b>	<b>337,421</b>	<b>(2,712)</b>	<b>2,772,458</b>
Reportable department profit or loss	<b>\$ 75,802</b>	<b>17,227</b>	<b>52,505</b>	<b>1,113</b>	<b>146,647</b>
<b>July to September 2024</b>					
	<b>Board cards and system segment</b>	<b>Industrial automation intelligence segment</b>	<b>Equipment and consumables</b>	<b>Adjustment and elimination</b>	<b>Total</b>
Revenue from external clients	\$ 1,529,006	788,855	206,943	-	2,524,804
Inter-departmental income	2,095	-	-	(2,095)	-
Total income	<b>\$ 1,531,101</b>	<b>788,855</b>	<b>206,943</b>	<b>(2,095)</b>	<b>2,524,804</b>
Reportable department profit or loss	<b>\$ 137,458</b>	<b>11,271</b>	<b>34,366</b>	<b>787</b>	<b>183,882</b>
<b>January to September 2025</b>					
	<b>Board cards and system segment</b>	<b>Industrial automation intelligence segment</b>	<b>Equipment and consumables</b>	<b>Adjustment and elimination</b>	<b>Total</b>
Revenue from external clients	\$ 4,753,271	2,448,627	1,069,784	-	8,271,682
Inter-departmental income	5,012	1,166	241	(6,419)	-
Total income	<b>\$ 4,758,283</b>	<b>2,449,793</b>	<b>1,070,025</b>	<b>(6,419)</b>	<b>8,271,682</b>
Reportable department profit or loss	<b>\$ 326,630</b>	<b>38,976</b>	<b>199,821</b>	<b>2,981</b>	<b>568,408</b>
<b>January to September 2024</b>					
	<b>Board cards and system segment</b>	<b>Industrial automation intelligence segment</b>	<b>Equipment and consumables</b>	<b>Adjustment and elimination</b>	<b>Total</b>
Revenue from external clients	\$ 4,133,996	2,257,827	206,943	-	6,598,766
Inter-departmental income	5,753	-	-	(5,753)	-
Total income	<b>\$ 4,139,749</b>	<b>2,257,827</b>	<b>206,943</b>	<b>(5,753)</b>	<b>6,598,766</b>
Reportable department profit or loss	<b>\$ 323,550</b>	<b>17,984</b>	<b>34,366</b>	<b>2,187</b>	<b>378,087</b>

**DFI Inc. and its subsidiaries**

**Loans to others**

**From January 1 to September 30, 2025**

Table 1.

Unit: In Thousands of New Taiwan Dollars

No.	Financing company	Loan recipient	Transaction item	Related party	Maximum amount in current period	Ending balance	Amount actually drawn in current period	Range of interest rate	Nature of financing	Business transaction amounts	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Financing limits for each borrowing company	Total financing limits
													Name	Value		
1	AEWIN	Beijing AEWIN	Other receivables - related parties	Yes	234,806	192,209	192,209	-	1	241,907	Business interaction	-	-	-	241,907	549,236
1	AEWIN	Beijing AEWIN	Other receivables - related parties	Yes	21,251	19,485	-	3%	2	-	Operating capital turnover	-	-	-	274,618	549,236
2	Ace Pillar	Tianjin ACE Pillar	Other receivables - related parties	Yes	91,574	85,530	17,106	2%	2	-	Operating capital turnover	-	-	-	418,517	837,034
3	Cyber South	Tianjin ACE Pillar	Other receivables - related parties	Yes	42,826	21,312	21,312	-	2	-	Operating capital turnover	-	-	-	495,674	495,674
4	Proton	Tianjin ACE Pillar	Other receivables - related parties	Yes	23,896	12,178	12,178	-	2	-	Operating capital turnover	-	-	-	363,659	363,659
5	Suzhou Super Pillar	Tianjin ACE Pillar	Other receivables - related parties	Yes	74,878	42,765	42,765	3%	2	-	Operating capital turnover	-	-	-	120,602	120,602

Note 1: The limits of funds lent by AEWIN to all others and to each individual were 40% and 20%, respectively, of the net value of the company's most recent financial statements.

Note 2: The limits of funds lent by Ace Pillar to all others and to each individual were 40% and 20%, respectively, of the net value of the company's most recent financial statements.

Note 3: The limits of funds lent by Cyber South to all others and to each individual were 10% and 5%, respectively, of the net value of the company's most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value.

Note 4: The limits of funds lent by Proton to all others and to each individual were 10% and 5%, respectively, of the net value of the company's most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value.

Note 5: The limits of funds lent by Suzhou Super Pillar to all others and to each individual were 40% and 20%, respectively, of the net value of the subsidiaries' most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value of the subsidiaries.

Note 6: "1" for those with the nature for financing arising from business transaction; "2" for those with short-term financing needs.

Note 7: The loans and transactions between the Company and its subsidiaries have been offset in the preparation of consolidated financial statements.

**DFI Inc. and Its Subsidiaries**

**The amount of purchases or sales with related parties reached NTS100 million or 20% and above of the paid-in capital**

**For the period from January 1 to September 30, 2025**

Table 2.

Unit: In Thousands of New Taiwan Dollars

Purchaser/Seller	Name of counterparty	Relationship	Transaction status				Situation and reason for difference between the trading terms and those of the general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (Sales)	Amount	Proportion to total purchase (sales)	Credit period	Unit price	Credit period	Balance	Proportion to total notes and accounts receivable (payable)	
Diamond Flower Information (NL) B.V.	The Company	Parent company and subsidiary	Purchases	438,639	100.00%	60-90 days to collect			(22,229)	99.65%	Note 1
The Company	Diamond Flower Information (NL) B.V.	Parent company and subsidiary	(Sales)	(438,639)	15.20%	60-90 days to collect			22,229	4.18%	Note 1
DFI AMERICA, LLC.	The Company	Parent company and subsidiary	Purchases	385,477	98.19%	60-90 days to collect			(39,926)	99.78%	Note 1
The Company	DFI AMERICA, LLC.	Parent company and subsidiary	(Sales)	(385,477)	13.36%	60-90 days to collect			39,926	7.51%	Note 1
DFI Co., Ltd.	The Company	Parent company and subsidiary	Purchases	230,697	100.00%	60-90 days to collect			(38,290)	98.90%	Note 1
The Company	DFI Co., Ltd.	Parent company and subsidiary	(Sales)	(230,697)	8.00%	60-90 days to collect			38,290	7.20%	Note 1
The Company	Qisda Corp.	Parent company and subsidiary	Purchases	176,935	7.88%	60-90 days to collect			(48,025)	6.73%	Note 1
Qisda Corp.	The Company	Parent company and subsidiary	(Sales)	(176,935)	0.31%	60-90 days to collect			48,025	0.19%	Note 1
Qisda Corp.	The Company	Parent company and subsidiary	Purchases	154,438	0.69%	60-90 days to collect			(85,286)	0.27%	Note 1
The Company	Qisda Corp.	Parent company and subsidiary	(Sales)	(154,438)	5.35%	60-90 days to collect			85,286	16.05%	Note 1
Aewin Tech Inc.	AEWIN	Parent company and subsidiary	Purchases	299,678	100.00%	120 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and subject to extension according to market conditions	(132,515)	100.00%	Note 1
AEWIN	Aewin Tech Inc.	Parent company and subsidiary	(Sales)	(299,678)	22.82%	120 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and subject to extension according to market conditions	132,515	28.42%	Note 1
Beijing AEWIN	AEWIN	Parent company and subsidiary	Purchases	132,835	23.75%	150 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and subject to extension according to market conditions	(192,520)	42.13%	Note 1
AEWIN	Beijing AEWIN	Parent company and subsidiary	(Sales)	(132,835)	10.12%	150 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and subject to extension according to market conditions	192,520	41.29%	Note 1

Note 1: The above transactions have been offset when preparing the consolidated financial report.

**DFI Inc. and Its Subsidiaries**

**Receivables from related parties reached NT\$100 million or 20% and above of paid-in capital**

**September 30, 2025**

Table 3.

Unit: In Thousands of New Taiwan Dollars

Company with receivables	Name of counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Overdue receivables from related parties		Recovery amount of accounts receivable from related parties after the balance sheet date	Allowance for bad debts recognized
					Amount	Treatment		
AEWIN	Beijing AEWIN	Parent company and subsidiary	192,520	0.82	123,737	Strengthen collection	-	-
AEWIN	Beijing AEWIN	Parent company and subsidiary	192,209	-	-	-	33,049	-
AEWIN	Aewin Tech Inc.	Parent company and subsidiary	132,515	3.10	-	-	-	-

(Note) The aforesaid transactions had been offset when the consolidated financial statements were prepared.

**DFI Inc. and Its Subsidiaries**

**Business relationship and important transactions between the parent company and the subsidiaries**

**From January 1 to September 30, 2025**

Unit: In Thousands of New Taiwan Dollars

No. (Note 1)	Name of trader	Counterparty	Relationship with trader (Note 2)	Transaction situation			
				Account	Amount	Transaction terms	Proportion to consolidated revenue or asset (Note 7)
0	The Company	DFI AMERICA, LLC.	1	(Sales)	385,477	60-90 days to collect	4.66%
0	The Company	Diamond Flower Information (NL) B.V.	1	(Sales)	438,639	60-90 days to collect	5.30%
0	The Company	DFI Co., Ltd.	1	(Sales)	230,697	60-90 days to collect	2.79%
0	The Company	Yan Ying Hao Trading (Shenzhen) Co., Ltd.	1	(Sales)	89,969	60-90 days to collect	1.09%
0	The Company	Qisda Corp.	2	(Sales)	154,438	60-90 days to collect	1.87%
1	AEWIN	Beijing AEWIN	3	(Sales)	132,835	(Note 5)	1.61%
1	AEWIN	Beijing AEWIN	3	Accounts receivable	192,520	(Note 5)	1.63%
1	AEWIN	Beijing AEWIN	3	Other receivables	192,209	-	1.62%
1	AEWIN	Aewin Tech Inc.	3	(Sales)	299,678	(Note 6)	3.62%
1	AEWIN	Aewin Tech Inc.	3	Accounts receivable	132,515	(Note 6)	1.12%

Note 1: The number should be filled in as follows:

1. 0 stands for the parent company.
2. The subsidiaries are numbered with Arabic numbers starting with 1.

Note 2: The types of relationships with traders are indicated as follows:

1. Parent company - subsidiary.
2. Subsidiary - parent company.
3. Subsidiary - subsidiary.

Note 3: The business relationship and important transactions between the parent and subsidiaries only disclose sales of goods and accounts receivable, and corresponding purchase and accounts payable are omitted here.

Note 4: It is calculated by dividing the transaction amount by the consolidated operating income or total consolidated assets.

Note 5: 150 days after shipment and subject to extension according to market conditions.

Note 6: 120 days after shipment and subject to extension according to market conditions.

Note 7: With respect to the business relationships and important transactions between parent and subsidiary companies, only information regarding those accounting for 1% or more of the consolidated revenue or assets are disclosed.

**DFI Inc. and its subsidiaries**  
**Reinvestment and related information**  
**From January 1 to September 30, 2025**

Table 4.

Unit: In thousands of New Taiwan Dollars/In thousands of shares

	Name of investee	Location	Primary business	Original investment amount		Ending shareholding			Current profit (loss) of the investee in the period	Investment profit (loss) recognized for the period	Remarks (Note 2)
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
The Company	DFI AMERICA, LLC.	USA	Sales of industrial computer cards	254,683	254,683	1,209	100%	473,153	30,308	30,308	Subsidiary of the Company
The Company	Yan Tong	Mauritius	General investment business	28,394	28,394	1,100	100%	31,690	(821)	(849)	Subsidiary of the Company
The Company	DFI Co., Ltd.	Japan	Sales of industrial computer cards	104,489	104,489	6	100%	170,434	8,529	8,529	Subsidiary of the Company
The Company	Diamond Flower Information (NL) B.V.	Netherlands	Sales of industrial computer cards	35,219	35,219	12	100%	192,423	6,787	6,787	Subsidiary of the Company
The Company	AEWIN	Taiwan	Design, manufacturing and sale of industrial computer motherboards and related products	564,191	564,191	30,376	51.38%	707,776	30,422	15,631	Subsidiary of the Company
The Company	Ace Pillar	Taiwan	Automated control and testing, processing, sales, repair, and mechanical and electrical integration of industrial transmission systems	1,270,850	1,270,850	52,436	46.71%	1,060,632	78,747	33,185	Subsidiary of the Company
The Company	Tekpak	Taiwan	Production, manufacturing, and sales of bundling equipment	560,000	560,000	3,165	31.65%	637,594	197,330	49,014	Subsidiary of the Company
The Company	APLEX	Taiwan	Sales of Displays and Mainframes for Industrial Computers	234,297	234,297	4,957	13.36%	262,995	27,650	(956)	Associate of the Company
AEWIN	Wise Way	Anguilla	Investment business	90,940	46,129	3,000	100%	100,950	(29,002)	(Note 1)	Subsidiary indirectly controlled by the Company
AEWIN	Aewin Tech Inc.	USA	Wholesale of computer and peripheral equipment and software	77,791	77,791	2,560	100%	29,494	9,622	(Note 1)	Subsidiary indirectly controlled by the Company
Wise Way	Bright Profit	Hong Kong	Investment business	90,940	46,129	3,000	100%	124,840	(29,002)	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Cyber South	Samoa	Holding Company	107,041	107,041	4,669	100%	495,674	1,247	(Note 1)	Subsidiary indirectly controlled by the Company

	Name of investee	Location	Primary business	Original investment amount		Ending shareholding			Current profit (loss) of the investee in the period	Investment profit (loss) recognized for the period	Remarks (Note 2)
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
Cyber South	Proton	Samoa	Holding Company	527,665	527,665	17,744	100%	363,659	(6,216)	(Note 1)	Subsidiary indirectly controlled by the Company
Cyber South	Ace Tek	Hong Kong	Holding Company	4,938	4,938	150	100%	2,951	(15)	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Standard Co.	Taiwan	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	187,000	187,000	6,084	60%	214,487	12,254	(Note 1)	Subsidiary indirectly controlled by the Company
Standard Co.	Standard Technology Corp.	BVI	Holding Company	21,727	21,727	600	100%	82,873	5,744	(Note 1)	Subsidiary indirectly controlled by the Company
ACE Energy	BlueWalker GmbH	Germany	Trading and services of energy management products	138,804	138,804	(Note 3)	100%	216,292	17,063	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	ACE Energy	Taiwan	Energy technical services	166,760	166,760	4,993	99.86%	253,205	21,230	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Tekpak	Taiwan	Production, manufacturing, and sales of bundling equipment	690,000	690,000	3,900	39%	785,615	197,330	(Note 1)	Subsidiary indirectly controlled by the Company

Note 1: The profit or loss of the investee company has been included in its investor, so to avoid confusion, it is not be expressed separately here.

Note 2: The subsidiaries directly and indirectly controlled by the Company in the above table have been written off when preparing the consolidated financial report.

Note 3: It is a limited liability company, so there is no number of shares.

**DFI Inc. and its subsidiaries**  
**Investment information in Mainland China**  
**From January 1 to September 30, 2025**

Table 5.

Unit: In thousands of New Taiwan Dollar/In thousands of foreign currency

1. Information on reinvestment in Mainland China:

Investee in mainland China	Primary business	Paid-in capital	Investment method	Accumulated amount of investment remitted out of Taiwan at the beginning of the period	Remitted or repatriated amount of investment for the period		Accumulated investment amount remitted from Taiwan at the end of current period	Current profit (loss) of the investee in the period	Shareholding ratio of direct or indirect investment of the Company	Investment profit (loss) recognized in the period	Ending carrying value of investment	Repatriated investment income as of the end of the period
					Remitted	Repatriated						
Yan Ying Hao Trading (Shenzhen) Co. Ltd.	Wholesale, import and export of computer motherboard, board cards, host computer, electronic parts and components	15,393	(Note 1)	-	-	-	-	(18)	100%	(18)	27,944	-
Beijing AEWIN	Business of wholesaling computers and their peripheral equipment and software	(USD 500 ) 90,940	(Note 1)	(USD - ) 46,129	44,811	-	-	(29,007)	100%	(29,007)	124,829	-
Tianjin ACE Pillar	Trade of transmission mechanical components	(USD 3,000 ) 1,074,617	(Note 1)	(USD1,500 ) 59,368	(USD1,500)	-	(USD3,000 ) 59,368	(6,027)	100%	(Note 3) (6,027)	431,216	125,533
Quansheng Information	Electronic system integration	(USD 35,297 ) 9,134	(Note 1)	(USD1,950 ) 4,567	-	-	(USD1,950 ) 4,567	(15)	100%	(Note 3) (15)	2,924	-
Suzhou Super Pillar	Processing and technical services of mechanical transmission and control products	(USD 300 ) 44,145	(Note 1)	(USD 150 ) -	-	-	(USD 150 ) -	7,604	100%	(USD 0.49 ) (Note 3) 7,604	(USD 96 ) 120,602	-
Shanghai Standard	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	(USD 1,450 ) 14,614 (USD 480 )	(Note 1)	(Note 4) 14,614 (USD 480 )	-	-	(Note 4) 14,614 (USD 480 )	5,641	100%	(USD 250 ) (Note 3) 5,641	(USD 3,961 ) 79,264	181,459

Note 1: Reinvest in the companies in Mainland China through companies established in third regions.

Note 2: It is a limited liability company, so there is no number of shares data.

Note 3: It is recognized in line with the financial report prepared by the investee and reviewed by the CPA of the parent company in Taiwan.

Note 4: It was reinvested and established by Cyber South.

2. Limit of investment in mainland China:

<b>Name of investor company</b>	<b>The cumulative amount of investment remitted from Taiwan to the Mainland China at the end of the current period</b>	<b>Investment amount approved by the Department of Investment Review of the Ministry of Economic Affairs</b>	<b>Upper Limit on Investment in mainland China regulated by the Department of Investment Review of the Ministry of Economic Affairs (Note 2, 3, 4)</b>
DFI	0 (Note 1)	15,393 (USD 500 )	3,428,101
AEWIN	90,940 (USD 3,000 )	90,940 (USD 3,000 )	823,855
Ace Pillar	155,848 (USD 5,119 )	155,848 (USD 5,119 )	1,783,678
Standard Co.	14,614 (USD 480 )	14,614 (USD 480 )	114,535

Note 1: It refers to the amount actually remitted by the Company and approved by the Investment Commission, excluding the amount remitted by subsidiaries and approved by the Investment Commission.

Note 2: According to the Review Principles for Investment or Technical Cooperation in Mainland China, the accumulated amount of investment in Mainland China shall not exceed 60% of the net value or consolidated net value, whichever the higher.

Note 3: The Department of Investment Review, Ministry of Economic Affairs approved an investment of USD2,859 thousand in Delta Green Tech; Ace Pillar had sold all of its shares in the Company in 2011 and completed the required filing with the Department of Investment Review on August 5, 2011; however, the approved investment quota has not yet been cancelled.

Note 4: The Department of Investment Review, Ministry of Economic Affairs approved an investment of USD160 thousand in Grace Transmission (Tianjin) Co., Ltd.; the Company was fully liquidated in January 2024, and Ace Pillar completed the required filing with the Department of Investment Review on January 6, 2025; however, the approved investment quota has not yet been cancelled.

3. Material transactions with investees in Mainland China:

Please refer to the statement under the “Information on Significant Transactions” for the direct or indirect material transactions between the Group and the investees in mainland China from January 1 to September 30, 2025 (these transactions had been written off when the consolidated financial statements were prepared).