

**APEX INTERNATIONAL CO., LTD. AND  
SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Report  
For the Six Months Ended June 30, 2025 and 2024**

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

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## Independent Auditors' Report

To the Board of Directors of Apex International Co., Ltd.:

### Opinion

We have audited the consolidated financial statements of Apex International Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of June 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months ended and the six months ended June 30, 2025 and 2024, changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024, and its consolidated cash flow for the six months ended June 30, 2025 and 2024 in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements for the six months ended June 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgments, the key audit matter that should be disclosed in this audit report is as follows:

#### 1. Subsequent measurements of inventories

Please refer to note 4(h) "Inventories" and note 5(a) of the consolidated financial statements for the year ended December 31, 2024, for accounting policy related to subsequent measurements of inventories, and accounting assumptions and estimation uncertainties of inventories, respectively. Please refer to note 6(g) "Inventories" for information related to impairment of inventories of the consolidated financial statements.

**Description of key audit matter:**

Inventories of the Group are measured at the lower of cost and net realizable value. The net realizable value of inventories is vulnerable to the impact of highly competitive market and the renewal of production technology of printed circuit board, which leads to the risk that the cost of inventories could be higher than the net realizable value. Therefore, the subsequent measurements of inventories was considered to be one of the key audit matters in our audit.

**How the matter was addressed in our audit:**

Our audit procedures included:

- Assessing whether appropriate provision policies for inventories are applied.
- Assessing whether the Group's subsequent measurement of inventories has been evaluated in accordance with the Group's provision policy on a consistent basis.
- Obtaining aging analysis of inventories, and examining relevant documents to verify the accuracy of the aging period.
- Obtaining evaluation report of the net realizable value of inventories, and examining relevant documents to verify the accuracy of sales prices and calculation of net realizable value.

**2. Property, plant and equipment impairment assessment**

The accounting policy for the impairment of property, plant and equipment, please refer to note 4(l) "Impairment— non-financial assets" for the year ended December 31, 2024. For the accounting assumptions and estimation uncertainty please refer to note 5(c), and note 6(h) for the information related to impairment assessment, respectively.

**Description of key the audit matter:**

A subsidiary of the Group holds real estate and a large amount of production equipment, the assets recoverable amount may be lower than its carrying amount if the profitability of the subsidiary is not as expected due to decrease in operation performance or other unanticipated conditions. In the process of asset impairment assessment, management makes subjective judgments and the inherent uncertainty is considered as high. Therefore, we have identified the impairment of property, plant and equipment was considered as one of the key audit matters in our audit.

**How the matter was addressed in our audit:**

Our audit procedures included:

- Obtaining the impairment test report issued by the external expert and assessing the objectivity and the professional competence of the external expert.
- Assessing the reasonableness of the cash generating units, the book value of the subject assets and the cash flow forecast and engaging the internal expert to assess the methods and discount rate applied in the evaluation report.
- Assessing whether the property, plant and equipment is impaired, if so, whether the impairment loss has been recognized appropriately.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters significant in our audit of the consolidated financial statements for the six months ended June 30, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chao, Min-Ju and Chang, Chun-I.

KPMG

Taipei, Taiwan (Republic of China)  
August 15, 2025

#### **Notes to Readers**

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

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

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

## APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollar)

|      |                                                       | June 30, 2025        |            | December 31, 2024 |            | June 30, 2024     |            |        |                                                           | June 30, 2025        |            | December 31, 2024 |            | June 30, 2024     |            |
|------|-------------------------------------------------------|----------------------|------------|-------------------|------------|-------------------|------------|--------|-----------------------------------------------------------|----------------------|------------|-------------------|------------|-------------------|------------|
|      |                                                       | Amount               | %          | Amount            | %          | Amount            | %          |        |                                                           | Amount               | %          | Amount            | %          | Amount            | %          |
| 11xx | <b>Assets</b>                                         |                      |            |                   |            |                   |            | 21xx   | <b>Liabilities and Equity</b>                             |                      |            |                   |            |                   |            |
|      | <b>Current assets:</b>                                |                      |            |                   |            |                   |            |        | <b>Current liabilities:</b>                               |                      |            |                   |            |                   |            |
| 1100 | Cash and cash equivalents (notes 6(a) and 8)          | \$ 640,534           | 3          | 530,763           | 3          | 558,850           | 3          | 2100   | Short-term loans (notes 6(h), (k), 7, 8 and 9)            | \$ 2,480,037         | 13         | 1,938,954         | 10         | 2,431,708         | 13         |
| 1110 | Financial assets at fair value through profit or loss |                      |            |                   |            |                   |            | 2120   | Financial liabilities at fair value through profit or     |                      |            |                   |            |                   |            |
|      | — current (notes 6(a), (b) and 8)                     | 50                   | -          | 2,219             | -          | 457               | -          |        | loss— current (notes 6(a), (b) and 8)                     | 22,779               | -          | 1,077             | -          | 2,587             | -          |
| 1136 | Financial assets measured at amortized cost           |                      |            |                   |            |                   |            | 2170   | Accounts payable                                          | 2,582,119            | 14         | 2,140,236         | 11         | 2,626,925         | 15         |
|      | (notes 6(d), (l) and 8)                               | 14,353               | -          | 30,087            | -          | 13,227            | -          | 2200   | Other payables                                            | 416,646              | 2          | 458,908           | 2          | 601,189           | 3          |
| 1150 | Notes receivable, net (notes 6(e) and (r))            | 735                  | -          | 3,559             | -          | 1,711             | -          | 2213   | Payable for machinery and equipment                       | 284,189              | 2          | 580,171           | 3          | 271,945           | 1          |
| 1170 | Accounts receivable, net (notes 6(e) and (r))         | 3,143,273            | 17         | 3,399,513         | 17         | 3,050,969         | 16         | 2230   | Current tax liabilities                                   | 92                   | -          | -                 | -          | -                 | -          |
| 1200 | Other receivables (note 6(f))                         | 222,672              | 1          | 125,132           | 1          | 143,590           | 1          | 2280   | Current lease liabilities (notes 6(i) and (m))            | 53,134               | -          | 56,223            | -          | 49,160            | -          |
| 1220 | Current income tax assets                             | 134                  | -          | 61                | -          | -                 | -          | 2322   | Long-term loans, current portion (notes 6(a), (d),        |                      |            |                   |            |                   |            |
| 130x | Inventories (note 6(g))                               | 2,600,441            | 14         | 2,138,595         | 11         | 2,543,585         | 14         |        | (h), (l), 7 and 8)                                        | 3,004,487            | 16         | 5,970,435         | 31         | 2,379,830         | 13         |
| 1470 | Other current assets                                  | 74,409               | -          | 63,580            | -          | 64,835            | -          | 2399   | Other current liabilities                                 | 31,395               | -          | 45,789            | -          | 28,610            | -          |
|      | <b>Total current assets</b>                           | <u>6,696,601</u>     | <u>35</u>  | <u>6,293,509</u>  | <u>32</u>  | <u>6,377,224</u>  | <u>34</u>  |        | <b>Total current liabilities</b>                          | <u>8,874,878</u>     | <u>47</u>  | <u>11,191,793</u> | <u>57</u>  | <u>8,391,954</u>  | <u>45</u>  |
| 15xx | <b>Non-current assets:</b>                            |                      |            |                   |            |                   |            | 25xx   | <b>Non-Current liabilities:</b>                           |                      |            |                   |            |                   |            |
| 1517 | Financial assets at fair value through other          |                      |            |                   |            |                   |            | 2540   | Long-term loans (notes 6(a), (d), (h), (l), 7 and 8)      | 3,950,229            | 22         | 1,272,005         | 7          | 3,749,038         | 21         |
|      | comprehensive income— non-current (note               |                      |            |                   |            |                   |            | 2570   | Deferred tax liabilities                                  | 40,379               | -          | 41,964            | -          | 39,589            | -          |
|      | 6(c))                                                 | 14,077               | -          | -                 | -          | -                 | -          | 2580   | Non-current lease liabilities (notes 6(i) and (m))        | 69,248               | -          | 91,717            | 1          | 82,142            | -          |
| 1600 | Property, plant and equipment (notes 6(h), (j), (k),  |                      |            |                   |            |                   |            | 2612   | Long-term payable                                         | 2,965                | -          | 6,167             | -          | 8,120             | -          |
|      | (l), 8 and 9)                                         | 11,726,258           | 62         | 12,616,921        | 65         | 11,639,222        | 63         | 2670   | Other non-current liabilities (note 6(n))                 | 59,609               | -          | 53,158            | -          | 74,244            | -          |
| 1755 | Right-of-use assets (notes 6(i) and (m))              | 117,883              | 1          | 143,450           | 1          | 127,342           | 1          |        | <b>Total non-current liabilities</b>                      | <u>4,122,430</u>     | <u>22</u>  | <u>1,465,011</u>  | <u>8</u>   | <u>3,953,133</u>  | <u>21</u>  |
| 1780 | Intangible assets (notes 6(h) and (j))                | 179,294              | 1          | 187,781           | 1          | 182,282           | 1          | 2xxx   | <b>Total liabilities</b>                                  | <u>12,997,308</u>    | <u>69</u>  | <u>12,656,804</u> | <u>65</u>  | <u>12,345,087</u> | <u>66</u>  |
| 1840 | Deferred tax assets                                   | 45,858               | -          | 47,687            | -          | 39,084            | -          | 31xx   | <b>Equity attributable to owners of the Company</b>       |                      |            |                   |            |                   |            |
| 1915 | Prepayments for equipment (note 6(h))                 | 95,067               | 1          | 113,770           | 1          | 134,035           | 1          |        | <b>(note 6(p)):</b>                                       |                      |            |                   |            |                   |            |
| 1920 | Refundable deposits                                   | 6,731                | -          | 7,815             | -          | 8,004             | -          | 3110   | Common stock                                              | 2,199,380            | 12         | 2,199,380         | 11         | 1,899,380         | 10         |
| 1980 | Other financial assest— non-current (notes 6(a),      |                      |            |                   |            |                   |            | 3200   | Capital surplus                                           | 3,299,784            | 17         | 3,299,784         | 17         | 2,405,304         | 13         |
|      | (b), (l) and 8)                                       | 44,331               | -          | 31,983            | -          | 10,382            | -          | 3300   | Retained earnings                                         | 749,330              | 4          | 1,329,435         | 7          | 2,468,414         | 14         |
|      | <b>Total non-current assets</b>                       | <u>12,229,499</u>    | <u>65</u>  | <u>13,149,407</u> | <u>68</u>  | <u>12,140,351</u> | <u>66</u>  | 3410   | Exchange differences on translation of foreign            |                      |            |                   |            |                   |            |
|      |                                                       |                      |            |                   |            |                   |            |        | financial statements                                      | (343,482)            | (2)        | (69,180)          | -          | (628,547)         | (3)        |
|      |                                                       |                      |            |                   |            |                   |            |        | <b>Total equity attributable to owners of the Company</b> | <u>5,905,012</u>     | <u>31</u>  | <u>6,759,419</u>  | <u>35</u>  | <u>6,144,551</u>  | <u>34</u>  |
|      |                                                       |                      |            |                   |            |                   |            | 36xx   | <b>Non-controlling interests</b>                          | <u>23,780</u>        | <u>-</u>   | <u>26,693</u>     | <u>-</u>   | <u>27,937</u>     | <u>-</u>   |
|      |                                                       |                      |            |                   |            |                   |            | 3xxx   | <b>Total equity</b>                                       | <u>5,928,792</u>     | <u>31</u>  | <u>6,786,112</u>  | <u>35</u>  | <u>6,172,488</u>  | <u>34</u>  |
| 1xxx | <b>Total assets</b>                                   | <u>\$ 18,926,100</u> | <u>100</u> | <u>19,442,916</u> | <u>100</u> | <u>18,517,575</u> | <u>100</u> | 2-3xxx | <b>Total liabilities and equity</b>                       | <u>\$ 18,926,100</u> | <u>100</u> | <u>19,442,916</u> | <u>100</u> | <u>18,517,575</u> | <u>100</u> |

See accompanying notes to consolidated financial statements.

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

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income****For the three months and six months ended June 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar, except for Earnings per Common Share)**

|      |                                                                                                            | For the three months ended<br>June 30 |             |                  |             | For the six months ended<br>June 30 |             |                  |             |
|------|------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------|------------------|-------------|-------------------------------------|-------------|------------------|-------------|
|      |                                                                                                            | 2025                                  |             | 2024             |             | 2025                                |             | 2024             |             |
|      |                                                                                                            | Amount                                | %           | Amount           | %           | Amount                              | %           | Amount           | %           |
| 4000 | <b>Operating revenue (note 6(r))</b>                                                                       | \$ 2,886,267                          | 100         | 3,137,504        | 100         | 6,022,992                           | 100         | 5,952,359        | 100         |
| 5000 | <b>Operating costs (notes 6(g), (h), (i), (j), (m), (n) and 12)</b>                                        | <u>2,763,318</u>                      | <u>96</u>   | <u>3,021,813</u> | <u>97</u>   | <u>5,749,073</u>                    | <u>96</u>   | <u>5,647,787</u> | <u>95</u>   |
| 5900 | <b>Gross profit from operations</b>                                                                        | <u>122,949</u>                        | <u>4</u>    | <u>115,691</u>   | <u>3</u>    | <u>273,919</u>                      | <u>4</u>    | <u>304,572</u>   | <u>5</u>    |
| 6000 | <b>Operating expenses (notes 6(e), (h), (i), (j), (m), (n), 7 and 12):</b>                                 |                                       |             |                  |             |                                     |             |                  |             |
| 6188 | Selling expenses                                                                                           | 157,113                               | 5           | 197,168          | 6           | 338,560                             | 6           | 395,196          | 7           |
| 6200 | Administrative expenses                                                                                    | 189,074                               | 7           | 216,202          | 7           | 383,844                             | 6           | 418,784          | 7           |
| 6300 | Research and development expenses                                                                          | 7,034                                 | -           | 13,072           | -           | 16,212                              | -           | 35,305           | 1           |
| 6450 | Expected credit loss (reversal of expected credit loss)                                                    | <u>235</u>                            | <u>-</u>    | <u>(2,791)</u>   | <u>-</u>    | <u>(1,500)</u>                      | <u>-</u>    | <u>(5,279)</u>   | <u>-</u>    |
|      | <b>Total operating expenses</b>                                                                            | <u>353,456</u>                        | <u>12</u>   | <u>423,651</u>   | <u>13</u>   | <u>737,116</u>                      | <u>12</u>   | <u>844,006</u>   | <u>15</u>   |
| 6900 | <b>Operating loss</b>                                                                                      | <u>(230,507)</u>                      | <u>(8)</u>  | <u>(307,960)</u> | <u>(10)</u> | <u>(463,197)</u>                    | <u>(8)</u>  | <u>(539,434)</u> | <u>(10)</u> |
| 7000 | <b>Non-operating income and expenses (notes 6(b), (h), (m) and (t)):</b>                                   |                                       |             |                  |             |                                     |             |                  |             |
| 7100 | Interest income                                                                                            | 1,062                                 | -           | 1,039            | -           | 1,352                               | -           | 1,194            | -           |
| 7010 | Other income                                                                                               | 10,790                                | -           | 31,627           | 1           | 23,453                              | -           | 42,729           | 1           |
| 7020 | Other gains and losses                                                                                     | 20,593                                | 1           | 5,187            | -           | 35,539                              | 1           | 11,509           | -           |
| 7050 | Finance costs                                                                                              | <u>(88,921)</u>                       | <u>(3)</u>  | <u>(71,255)</u>  | <u>(2)</u>  | <u>(178,905)</u>                    | <u>(3)</u>  | <u>(142,465)</u> | <u>(2)</u>  |
|      | <b>Total non-operating income and expenses</b>                                                             | <u>(56,476)</u>                       | <u>(2)</u>  | <u>(33,402)</u>  | <u>(1)</u>  | <u>(118,561)</u>                    | <u>(2)</u>  | <u>(87,033)</u>  | <u>(1)</u>  |
| 7900 | <b>Loss from continuing operations before tax</b>                                                          | <u>(286,983)</u>                      | <u>(10)</u> | <u>(341,362)</u> | <u>(11)</u> | <u>(581,758)</u>                    | <u>(10)</u> | <u>(626,467)</u> | <u>(11)</u> |
| 7951 | <b>Less: Income tax expenses (note 6(o))</b>                                                               | <u>296</u>                            | <u>-</u>    | <u>608</u>       | <u>-</u>    | <u>296</u>                          | <u>-</u>    | <u>969</u>       | <u>-</u>    |
| 8200 | <b>Net loss</b>                                                                                            | <u>(287,279)</u>                      | <u>(10)</u> | <u>(341,970)</u> | <u>(11)</u> | <u>(582,054)</u>                    | <u>(10)</u> | <u>(627,436)</u> | <u>(11)</u> |
| 8300 | <b>Other comprehensive income (loss):</b>                                                                  |                                       |             |                  |             |                                     |             |                  |             |
| 8360 | <b>Components of other comprehensive income that will be reclassified to profit or loss</b>                |                                       |             |                  |             |                                     |             |                  |             |
| 8361 | Exchange differences on translation of foreign financial statements                                        | (445,462)                             | (15)        | 26,730           | 1           | (275,266)                           | (4)         | (134,990)        | (2)         |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | <u>-</u>                              | <u>-</u>    | <u>-</u>         | <u>-</u>    | <u>-</u>                            | <u>-</u>    | <u>-</u>         | <u>-</u>    |
| 8300 | <b>Other comprehensive income</b>                                                                          | <u>(445,462)</u>                      | <u>(15)</u> | <u>26,730</u>    | <u>1</u>    | <u>(275,266)</u>                    | <u>(4)</u>  | <u>(134,990)</u> | <u>(2)</u>  |
| 8500 | <b>Total comprehensive loss</b>                                                                            | <u>\$ (732,741)</u>                   | <u>(25)</u> | <u>(315,240)</u> | <u>(10)</u> | <u>(857,320)</u>                    | <u>(14)</u> | <u>(762,426)</u> | <u>(13)</u> |
|      | <b>Loss attributable to:</b>                                                                               |                                       |             |                  |             |                                     |             |                  |             |
| 8610 | Owners of the Company                                                                                      | \$ (286,297)                          | (10)        | (340,661)        | (11)        | (580,105)                           | (10)        | (625,037)        | (11)        |
| 8620 | Non-controlling interests                                                                                  | <u>(982)</u>                          | <u>-</u>    | <u>(1,309)</u>   | <u>-</u>    | <u>(1,949)</u>                      | <u>-</u>    | <u>(2,399)</u>   | <u>-</u>    |
|      |                                                                                                            | <u>\$ (287,279)</u>                   | <u>(10)</u> | <u>(341,970)</u> | <u>(11)</u> | <u>(582,054)</u>                    | <u>(10)</u> | <u>(627,436)</u> | <u>(11)</u> |
|      | <b>Comprehensive loss attributable to:</b>                                                                 |                                       |             |                  |             |                                     |             |                  |             |
| 8710 | Owners of the Company                                                                                      | \$ (730,199)                          | (25)        | (314,038)        | (10)        | (854,407)                           | (14)        | (759,487)        | (13)        |
| 8720 | Non-controlling interests                                                                                  | <u>(2,542)</u>                        | <u>-</u>    | <u>(1,202)</u>   | <u>-</u>    | <u>(2,913)</u>                      | <u>-</u>    | <u>(2,939)</u>   | <u>-</u>    |
|      |                                                                                                            | <u>\$ (732,741)</u>                   | <u>(25)</u> | <u>(315,240)</u> | <u>(10)</u> | <u>(857,320)</u>                    | <u>(14)</u> | <u>(762,426)</u> | <u>(13)</u> |
|      | <b>Deficits per share (expressed in New Taiwan dollars) (note 6(q))</b>                                    |                                       |             |                  |             |                                     |             |                  |             |
| 9750 | Basic deficits per share                                                                                   | <u>\$ (1.30)</u>                      |             | <u>(1.79)</u>    |             | <u>(2.64)</u>                       |             | <u>(3.29)</u>    |             |
| 9850 | Diluted deficits per share                                                                                 | <u>\$ (1.30)</u>                      |             | <u>(1.79)</u>    |             | <u>(2.64)</u>                       |             | <u>(3.29)</u>    |             |

See accompanying notes to consolidated financial statements.



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

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Changes in Equity****For the six months ended June 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar)**

|                                   | Equity attributable to owners of parent |                  |                  |                                                                                          |                  | Exchange differences on translation of foreign financial statements | Total equity attributable to owners of parent | Non-controlling interests | Total equity     |
|-----------------------------------|-----------------------------------------|------------------|------------------|------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------|-----------------------------------------------|---------------------------|------------------|
|                                   | Common stock                            | Capital surplus  | Special reserve  | Retained earnings<br>Unappropriated retained earnings<br>(deficit yet to be compensated) | Total            |                                                                     |                                               |                           |                  |
| <b>Balance at January 1, 2024</b> | \$ 1,899,380                            | 2,405,304        | 1,048,969        | 2,044,482                                                                                | 3,093,451        | (494,097)                                                           | 6,904,038                                     | 30,876                    | 6,934,914        |
| Net loss                          | -                                       | -                | -                | (625,037)                                                                                | (625,037)        | -                                                                   | (625,037)                                     | (2,399)                   | (627,436)        |
| Other comprehensive loss          | -                                       | -                | -                | -                                                                                        | -                | (134,450)                                                           | (134,450)                                     | (540)                     | (134,990)        |
| Total comprehensive loss          | -                                       | -                | -                | (625,037)                                                                                | (625,037)        | (134,450)                                                           | (759,487)                                     | (2,939)                   | (762,426)        |
| <b>Balance at June 30, 2024</b>   | <u>\$ 1,899,380</u>                     | <u>2,405,304</u> | <u>1,048,969</u> | <u>1,419,445</u>                                                                         | <u>2,468,414</u> | <u>(628,547)</u>                                                    | <u>6,144,551</u>                              | <u>27,937</u>             | <u>6,172,488</u> |
| <b>Balance at January 1, 2025</b> | \$ 2,199,380                            | 3,299,784        | 1,048,969        | 280,466                                                                                  | 1,329,435        | (69,180)                                                            | 6,759,419                                     | 26,693                    | 6,786,112        |
| Net loss                          | -                                       | -                | -                | (580,105)                                                                                | (580,105)        | -                                                                   | (580,105)                                     | (1,949)                   | (582,054)        |
| Other comprehensive loss          | -                                       | -                | -                | -                                                                                        | -                | (274,302)                                                           | (274,302)                                     | (964)                     | (275,266)        |
| Total comprehensive loss          | -                                       | -                | -                | (580,105)                                                                                | (580,105)        | (274,302)                                                           | (854,407)                                     | (2,913)                   | (857,320)        |
| <b>Balance at June 30, 2025</b>   | <u>\$ 2,199,380</u>                     | <u>3,299,784</u> | <u>1,048,969</u> | <u>(299,639)</u>                                                                         | <u>749,330</u>   | <u>(343,482)</u>                                                    | <u>5,905,012</u>                              | <u>23,780</u>             | <u>5,928,792</u> |

See accompanying notes to consolidated financial statements.

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

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the six months ended June 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar)**

|                                                                                  | <b>For the six months ended<br/>June 30</b> |                  |
|----------------------------------------------------------------------------------|---------------------------------------------|------------------|
|                                                                                  | <b>2025</b>                                 | <b>2024</b>      |
| <b>Cash flows from (used in) operating activities:</b>                           |                                             |                  |
| Loss before tax                                                                  | \$ (581,758)                                | (626,467)        |
| <b>Adjustments:</b>                                                              |                                             |                  |
| Adjustments to reconcile loss:                                                   |                                             |                  |
| Depreciation expense                                                             | 685,412                                     | 616,129          |
| Amortization expense                                                             | 11,822                                      | 11,026           |
| Reversal of expected credit loss                                                 | (1,500)                                     | (5,279)          |
| Interest expense                                                                 | 178,905                                     | 142,465          |
| Interest income                                                                  | (1,352)                                     | (1,194)          |
| Loss (gain) on disposal of property, plant and equipment                         | (6,706)                                     | 780              |
| Loss on disposal of intangible assets                                            | 2                                           | -                |
| Valuation losses on financial assets or liabilities, net                         | 29,241                                      | 52,086           |
| Loss of impairment on non-financial assets                                       | 8,548                                       | 7,939            |
| <b>Total adjustments to reconcile profit or loss</b>                             | <b>904,372</b>                              | <b>823,952</b>   |
| <b>Changes in operating assets and liabilities:</b>                              |                                             |                  |
| Changes in operating assets:                                                     |                                             |                  |
| Financial assets at fair value through profit or loss                            | (209)                                       | (12,254)         |
| Notes receivable                                                                 | 2,824                                       | (189)            |
| Accounts receivable                                                              | 260,547                                     | (45,058)         |
| Other receivables                                                                | (97,540)                                    | (39,563)         |
| Inventories                                                                      | (461,846)                                   | (311,820)        |
| Other current assets                                                             | (10,829)                                    | (1,261)          |
| <b>Total changes in operating assets</b>                                         | <b>(307,053)</b>                            | <b>(410,145)</b> |
| Changes in operating liabilities:                                                |                                             |                  |
| Financial liabilities at fair value through profit or loss                       | (4,435)                                     | (16,159)         |
| Accounts payable                                                                 | 441,883                                     | 715,060          |
| Other payables                                                                   | (44,948)                                    | 107,110          |
| Other current liabilities                                                        | (14,394)                                    | (8,900)          |
| Other non-current liabilities                                                    | 6,451                                       | 7,415            |
| <b>Total changes in operating liabilities</b>                                    | <b>384,557</b>                              | <b>804,526</b>   |
| <b>Total changes in operating assets and liabilities</b>                         | <b>77,504</b>                               | <b>394,381</b>   |
| <b>Total adjustments</b>                                                         | <b>981,876</b>                              | <b>1,218,333</b> |
| Cash inflow generated from operations                                            | 400,118                                     | 591,866          |
| Interest received                                                                | 1,352                                       | 1,194            |
| Interest paid                                                                    | (176,219)                                   | (143,069)        |
| Income taxes paid                                                                | (258)                                       | (1,779)          |
| <b>Net cash flows from operating activities</b>                                  | <b>224,993</b>                              | <b>448,212</b>   |
| <b>Cash flows from (used in) investing activities:</b>                           |                                             |                  |
| Acquisition of financial assets at fair value through other comprehensive income | (14,077)                                    | -                |
| Acquisition of financial assets at amortized cost                                | -                                           | (13,227)         |
| Proceeds from disposal of financial assets at amortised cost                     | 14,247                                      | -                |
| Acquisition of property, plant and equipment                                     | (479,284)                                   | (736,352)        |
| Proceeds from disposal of property, plant and equipment                          | 7,696                                       | -                |
| Decrease in refundable deposits                                                  | 1,084                                       | 113              |
| Acquisition of intangible assets                                                 | (889)                                       | (2,231)          |
| Increase in other financial assets — non-current                                 | (12,348)                                    | (544)            |
| Increase in prepayments for equipment                                            | (60,221)                                    | (172,863)        |
| <b>Net cash flows used in investing activities</b>                               | <b>(543,792)</b>                            | <b>(925,104)</b> |
| <b>Cash flows from (used in) financing activities:</b>                           |                                             |                  |
| Increase in short-term loans                                                     | 633,580                                     | 284,384          |
| Proceeds from long-term loans                                                    | 1,360,559                                   | 1,189,330        |
| Repayments of long-term loans                                                    | (1,405,330)                                 | (996,999)        |
| Payment of lease liabilities                                                     | (29,462)                                    | (25,983)         |
| <b>Net cash flows used in financing activities</b>                               | <b>559,347</b>                              | <b>450,732</b>   |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>              | <b>(130,777)</b>                            | <b>(56,919)</b>  |
| <b>Net increase (decrease) in cash and cash equivalents</b>                      | <b>109,771</b>                              | <b>(83,079)</b>  |
| <b>Cash and cash equivalents at beginning of period</b>                          | <b>530,763</b>                              | <b>641,929</b>   |
| <b>Cash and cash equivalents at end of period</b>                                | <b>\$ 640,534</b>                           | <b>558,850</b>   |

See accompanying notes to consolidated financial statements.

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

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**June 30, 2025 and 2024**

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

**(1) Company history**

Apex International Co., Ltd. (the "Company") was established in the Cayman Islands on October 28, 2009. The main purpose of the establishment, which resulted from organizational restructuring, was to apply for emerging stock registration on the Taipei Exchange ("TPEX") in the Republic of China. After restructuring, the Company became the holding company of Apex Circuit (Thailand) Co., Ltd. ("APT"), which is located in Thailand, and became a listed company on the TPEX in the Republic of China ("R.O.C.") on October 18, 2011. The Company then changed its listing from the TPEX to the Taiwan Stock Exchange ("TWSE") in the R.O.C. on September 8, 2015. APT mainly manufactures and sells electronic printed circuit boards. For the related information, please refer to note 14 of the consolidated financial statements. The Company and its subsidiaries are hereinafter referred to as the Group.

**(2) Approval date and procedures of the consolidated financial statements:**

The consolidated financial statements were authorized for issuance by the Board of Directors on August 15, 2025.

**(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

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

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

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

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

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”
- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

| <b>Standards or Interpretations</b>                           | <b>Content of amendment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Effective date per IASB</b> |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> </ul> | January 1, 2027                |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| Standards or Interpretations                                  | Content of amendment                                                                                                                                                                                                                                                                                                                         | Effective date per IASB |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <ul style="list-style-type: none"> <li>Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul> | January 1, 2027         |

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

**(4) Summary of material accounting policies:**

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

**(a) Statement of compliance**

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

**(b) Basis of consolidation**

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2024.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

List of subsidiaries in the consolidated financial statements is as follows:

| Name of investor | Name of subsidiary                                                              | Business activities         | Percentage of ownership (%) |                   |               | Note   |
|------------------|---------------------------------------------------------------------------------|-----------------------------|-----------------------------|-------------------|---------------|--------|
|                  |                                                                                 |                             | June 30, 2025               | December 31, 2024 | June 30, 2024 |        |
| The Company      | Apex Circuit (Thailand) Co., Ltd. (APT)                                         | PCB manufacturing and sales | 99.65 %                     | 99.65 %           | 99.60 %       | (Note) |
| The Company      | Approach Excellence Trading Ltd. (incorporated in British Virgin Islands) (AET) | Supply chain integration    | 100.00 %                    | 100.00 %          | 100.00 %      |        |
| APT              | Shye Feng Enterprise (Thailand) Co., Ltd. (APS)                                 | PCB manufacturing and sales | 99.99 %                     | 99.99 %           | 99.99 %       |        |
| APT              | Apex IPO (Dong Guan) Ltd. (APC)                                                 | Supply chain integration    | 100.00 %                    | 100.00 %          | 100.00 %      |        |
| APS              | Shye Feng (Singapore) Pte. Ltd. (APSS)                                          | PCB sales development       | 100.00 %                    | 100.00 %          | 100.00 %      |        |

Note: The Company's Board of Directors resolved to participate in APT's capital increase and issuance of new shares on October 14, 2024. APT plans to issue 238,000 thousand shares at THB 52.5 per share, with a par value of THB 10 per share. As the minority shareholders waived their subscription, the Company subscribed the entire new shares issued and made the full payment on November 8, 2024. APT completed the registration of new shares with the local government on November 7, 2024.

Subsidiaries which are not included in the consolidated financial statements: None.

(c) Employee benefits

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

(d) Income taxes

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

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

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

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:**

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

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

**(6) Explanation of significant accounts:**

Except for the following, the preparation of the consolidated financial statements are in conformity with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2024.

**(a) Cash and cash equivalents**

|                                                                       | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|-----------------------------------------------------------------------|----------------------|------------------------------|----------------------|
| Cash                                                                  | \$ 1,703             | 1,498                        | 1,803                |
| Demand deposits                                                       | 621,399              | 526,160                      | 533,196              |
| Checking deposits                                                     | 2,809                | 850                          | 4,593                |
| Time deposits                                                         | 14,623               | 2,255                        | 19,258               |
| Cash and cash equivalents in the consolidated statement of cash flows | <u>\$ 640,534</u>    | <u>530,763</u>               | <u>558,850</u>       |

Reserve account deposits that are not highly liquid and cannot be readily converted to a known amount of cash, or the values of which are subject to fluctuation, are listed under other financial assets — non-current as follows:

|                         | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|-------------------------|----------------------|------------------------------|----------------------|
| Restricted bank deposit | <u>\$ 44,331</u>     | <u>31,983</u>                | <u>10,382</u>        |

Please refer to note 8 for more information on the collateral for derivative instruments not used for hedging and long-term loans.

Please refer to note 6(u) for the disclosure of interest rate risks and sensitivity analysis of the Group's financial assets and liabilities °

**(b) Financial assets and liabilities at fair value through profit or loss**

**(i) Financial assets at fair value through profit or loss — current**

|                                             | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|---------------------------------------------|----------------------|------------------------------|----------------------|
| Financial assets held-for-trading:          |                      |                              |                      |
| Derivative instruments not used for hedging |                      |                              |                      |
| Forward exchange contracts                  | <u>\$ 50</u>         | <u>2,219</u>                 | <u>457</u>           |

(Continued)

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Financial liabilities at fair value through profit or loss — current

|                                             | <u>June 30, 2025</u> | <u>December 31,<br/>2024</u> | <u>June 30, 2024</u> |
|---------------------------------------------|----------------------|------------------------------|----------------------|
| Financial liabilities held-for-trading:     |                      |                              |                      |
| Derivative instruments not used for hedging |                      |                              |                      |
| Forward exchange contracts                  | \$ <u>22,779</u>     | <u>1,077</u>                 | <u>2,587</u>         |

Please refer to note 6(t) for the amounts recognized in the consolidated statements of comprehensive income that resulted from remeasurement at fair value.

The Group uses derivative financial instruments to hedge certain foreign exchange risk the Group is exposed to arising from its operating, financing, and investing activities. As these derivative financial instruments did not qualify for hedge accounting, the Group held the following derivative financial instruments as held-for-trading financial assets (liabilities) as of June 30, 2025, December 31, 2024, and June 30, 2024.

Forward exchange contracts:

| <u>June 30, 2025</u>       |                                  |                 |                           |                                                   |
|----------------------------|----------------------------------|-----------------|---------------------------|---------------------------------------------------|
|                            | <u>Amount<br/>(in thousands)</u> | <u>Currency</u> | <u>Maturity<br/>dates</u> | <u>Fair value of<br/>assets<br/>(liabilities)</u> |
| Forward exchange purchased | USD 2,000                        | USD to THB      | 2026.1.5                  | \$ <u>50</u>                                      |
| Forward exchange purchased | USD 31,000                       | USD to THB      | 2025.7.11~<br>2025.12.29  | \$ (22,216)                                       |
| Forward exchange purchased | CNY 6,000                        | CNY to THB      | 2025.7.24~<br>2025.12.12  | (563)                                             |
| Total                      |                                  |                 |                           | \$ <u>(22,779)</u>                                |
| <u>December 31, 2024</u>   |                                  |                 |                           |                                                   |
|                            | <u>Amount<br/>(in thousands)</u> | <u>Currency</u> | <u>Maturity<br/>dates</u> | <u>Fair value of<br/>assets<br/>(liabilities)</u> |
| Forward exchange purchased | USD 7,000                        | USD to THB      | 2025.4.30<br>~2025.5.2    | \$ <u>2,219</u>                                   |
| Forward exchange purchased | USD 2,000                        | USD to THB      | 2025.6.26                 | \$ (539)                                          |
| Forward exchange purchased | CNY 6,000                        | CNY to THB      | 2025.3.11~<br>2025.6.23   | (538)                                             |
| Total                      |                                  |                 |                           | \$ <u>(1,077)</u>                                 |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <b>June 30, 2024</b>       |                                  |                 |                           |    | <b>Fair value of<br/>assets<br/>(liabilities)</b> |
|----------------------------|----------------------------------|-----------------|---------------------------|----|---------------------------------------------------|
|                            | <b>Amount<br/>(in thousands)</b> | <b>Currency</b> | <b>Maturity<br/>dates</b> |    |                                                   |
| Forward exchange purchased | USD 1,000                        | USD to THB      | 2024.11.18                | \$ | 387                                               |
| Forward exchange purchased | CNY 2,400                        | CNY to THB      | 2024.8.7~<br>2024.10.17   |    | 70                                                |
| Total                      |                                  |                 |                           | \$ | <u><b>457</b></u>                                 |
| Forward exchange sold      | USD 10,000                       | USD to THB      | 2024.8.13~<br>2024.9.3    | \$ | (2,367)                                           |
| Forward exchange purchased | CNY 5,000                        | CNY to THB      | 2024.11.7~<br>2024.12.12  |    | (220)                                             |
| Total                      |                                  |                 |                           | \$ | <u><b>(2,587)</b></u>                             |

Please refer to note 8 for more information on the collateral for derivative instruments not used for hedging.

(c) Financial assets at fair value through other comprehensive income

|                                                                     | <b>June 30, 2025</b>    | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|---------------------------------------------------------------------|-------------------------|------------------------------|----------------------|
| Financial assets at fair value through other comprehensive income : |                         |                              |                      |
| Unlisted common shares                                              | \$ <u><b>14,077</b></u> | <u>-</u>                     | <u>-</u>             |

(i) Equity instrument investments at fair value through other comprehensive income

The Group designated the investments shown above as equity instruments at fair value through other comprehensive income because these equity instruments represent long-term strategic investments and are not held for trading purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investment as of June 30, 2025.

(ii) For more information on market risk, please refer to note 6(u) .

(d) Financial assets measured at amortized cost

|                                                        | <b>June 30, 2025</b>    | <b>December 31, 2024</b>          | <b>June 30, 2024</b>    |
|--------------------------------------------------------|-------------------------|-----------------------------------|-------------------------|
| Time deposits with original maturity over three months | \$ -                    | 14,352                            | 13,227                  |
| Pledged time deposits                                  | 14,353                  | 15,735                            | -                       |
| Total                                                  | <u><b>\$ 14,353</b></u> | <u><b>30,087</b></u>              | <u><b>13,227</b></u>    |
| Interest rate range (%)                                | <u><b>4.36</b></u>      | <u><b>1.20~4.91</b></u>           | <u><b>1.20</b></u>      |
| Maturity date                                          | <u><b>2025.7.23</b></u> | <u><b>2025.1.23~2025.4.29</b></u> | <u><b>2025.4.29</b></u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group has assessed that these financial assets are held to maturity to collect contrcash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

Please refer to note 8 for more information on collateral for long-term loans.

For more information on credit risk, please refer to note 6(u).

(e) Notes receivable and accounts receivable

|                              | <b>June 30, 2025</b>       | <b>December 31, 2024</b> | <b>June 30, 2024</b>    |
|------------------------------|----------------------------|--------------------------|-------------------------|
| Notes receivable             | \$ 735                     | 3,559                    | 1,711                   |
| Accounts receivable          | 3,213,364                  | 3,473,911                | 3,100,344               |
| Less: allowance for bad debt | (70,091)                   | (74,398)                 | (49,375)                |
|                              | <u><b>\$ 3,144,008</b></u> | <u><b>3,403,072</b></u>  | <u><b>3,052,680</b></u> |

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on the regions that customers stand for, shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomics and relevant industry information.

The Group's analyses of the expected credit loss on its accounts receivable in the regions of Taiwan and Mainland China were as follows:

|                     | <b>June 30, 2025</b>         |                                       |                                 |
|---------------------|------------------------------|---------------------------------------|---------------------------------|
|                     | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Not yet due         | \$ 240,434                   | 0.54                                  | 1,296                           |
| Past due 1~30 days  | 39,744                       | 2.28                                  | 905                             |
| Past due 31~60 days | 9,159                        | 3.30                                  | 302                             |
| Past due 61~90 days | 416                          | 25.96                                 | 108                             |
|                     | <u><b>\$ 289,753</b></u>     |                                       | <u><b>2,611</b></u>             |

  

|                       | <b>December 31, 2024</b>     |                                       |                                 |
|-----------------------|------------------------------|---------------------------------------|---------------------------------|
|                       | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Not yet due           | \$ 341,069                   | 0.54                                  | 1,840                           |
| Past due 1~30 days    | 59,748                       | 2.29                                  | 1,368                           |
| Past due 31~60 days   | 8,818                        | 3.33                                  | 294                             |
| Past due 61~90 days   | 3,765                        | 26.14                                 | 984                             |
| Past due 121~180 days | 524                          | 79.96                                 | 419                             |
|                       | <u><b>\$ 413,924</b></u>     |                                       | <u><b>4,905</b></u>             |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                        | <b>June 30, 2024</b>             |                                               |                                     |
|------------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                        | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due            | \$ 198,075                       | 0.52                                          | 1,027                               |
| Past due 1~30 days     | 18,884                           | 2.41                                          | 455                                 |
| Past due 31~60 days    | 4,199                            | 3.83                                          | 161                                 |
| Past due 61~90 days    | 483                              | 26.50                                         | 128                                 |
| Past due 121~180 days  | 16                               | 87.50                                         | 14                                  |
| Past due over 180 days | 16                               | 100.00                                        | 16                                  |
|                        | <b>\$ 221,673</b>                |                                               | <b>1,801</b>                        |

The Group's analyses of the expected credit loss on its accounts receivable in the regions of Japan and Korea were as follows:

|                      | <b>June 30, 2025</b>             |                                               |                                     |
|----------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                      | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due          | \$ 279,390                       | -                                             | -                                   |
| Past due 1~30 days   | 79,556                           | -                                             | -                                   |
| Past due 31~60 days  | 34,446                           | -                                             | -                                   |
| Past due 61~90 days  | 2,257                            | -                                             | -                                   |
| Past due 91~120 days | 5                                | -                                             | -                                   |
|                      | <b>\$ 395,654</b>                |                                               | <b>-</b>                            |

The accounts receivable above did not contain all the amounts that the Group has for partial specific clients. As the uncertainty of receiving such accounts receivable, the Group has fully recognized loss allowance of the total amount. Therefore, it is not included into expected credit loss calculation, and the total amount was \$9 thousand.

|                     | <b>December 31, 2024</b>         |                                               |                                     |
|---------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                     | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due         | \$ 224,482                       | -                                             | -                                   |
| Past due 1~30 days  | 51,431                           | -                                             | -                                   |
| Past due 31~60 days | 25,367                           | -                                             | -                                   |
|                     | <b>\$ 301,280</b>                |                                               | <b>-</b>                            |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The accounts receivable above did not contain all the amounts that the Group has for partial specific clients. As the uncertainty of receiving such accounts receivable, the Group has fully recognized loss allowance of the total amount. Therefore, it is not included into expected credit loss calculation, and the total amount was \$11 thousand.

|                     | <b>June 30, 2024</b>         |                                       |                                 |
|---------------------|------------------------------|---------------------------------------|---------------------------------|
|                     | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Not yet due         | \$ 245,841                   | -                                     | -                               |
| Past due 1~30 days  | 48,837                       | -                                     | -                               |
| Past due 61~90 days | 1,756                        | -                                     | -                               |
|                     | <b>\$ 296,434</b>            |                                       | <b>-</b>                        |

The Group's analyses of the expected credit loss on its accounts receivable in the region of India were as follows:

|                        | <b>June 30, 2025</b>         |                                       |                                 |
|------------------------|------------------------------|---------------------------------------|---------------------------------|
|                        | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Past due over 180 days | <b>\$ 1,911</b>              | 100.00                                | <b>1,911</b>                    |

|                        | <b>December 31, 2024</b>     |                                       |                                 |
|------------------------|------------------------------|---------------------------------------|---------------------------------|
|                        | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Past due over 180 days | <b>\$ 2,076</b>              | 100.00                                | <b>2,076</b>                    |

|                        | <b>June 30, 2024</b>         |                                       |                                 |
|------------------------|------------------------------|---------------------------------------|---------------------------------|
|                        | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Past due over 180 days | <b>\$ 2,075</b>              | 100.00                                | <b>2,075</b>                    |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Group's analyses of the expected credit loss on its notes receivable and accounts receivable in other Asian region were as follows:

|                        | <b>June 30, 2025</b>             |                                               |                                     |
|------------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                        | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due            | \$ 1,522,473                     | 0.07                                          | 1,060                               |
| Past due 1~30 days     | 253,074                          | 0.33                                          | 842                                 |
| Past due 31~60 days    | 8,517                            | 12.00                                         | 1,022                               |
| Past due 61~90 days    | 3,250                            | 26.58                                         | 864                                 |
| Past due 91~120 days   | 1,578                            | 38.78                                         | 612                                 |
| Past due 121~180 days  | 3,530                            | 57.17                                         | 2,018                               |
| Past due over 180 days | 7                                | 100.00                                        | 7                                   |
|                        | <b>\$ 1,792,429</b>              |                                               | <b>6,425</b>                        |

The accounts receivable above did not contain all the amounts that the Group has for partial specific clients. As the uncertainty of receiving such accounts receivable, the Group has fully recognized loss allowance of the total amount. Therefore, it is not included into expected credit loss calculation, and the total amount was \$55,324 thousand.

|                       | <b>December 31, 2024</b>         |                                               |                                     |
|-----------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                       | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due           | \$ 1,735,897                     | -                                             | -                                   |
| Past due 1~30 days    | 165,683                          | -                                             | -                                   |
| Past due 31~60 days   | 1,948                            | -                                             | -                                   |
| Past due 61~90 days   | 3,449                            | 15.19                                         | 524                                 |
| Past due 91~120 days  | 7,534                            | -                                             | -                                   |
| Past due 121~180 days | 1,675                            | 42.18                                         | 706                                 |
|                       | <b>\$ 1,916,186</b>              |                                               | <b>1,230</b>                        |

The accounts receivable above did not contain all the amounts that the Group has for partial specific clients. As the uncertainty of receiving such accounts receivable, the Group has fully recognized loss allowance of the total amount. Therefore, it is not included into expected credit loss calculation, and the total amount was \$60,089 thousand.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                      | <b>June 30, 2024</b>             |                                               |                                     |
|----------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                      | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due          | \$ 1,797,395                     | -                                             | -                                   |
| Past due 1~30 days   | 219,641                          | -                                             | -                                   |
| Past due 31~60 days  | 6,384                            | -                                             | -                                   |
| Past due 61~90 days  | 775                              | 14.58                                         | 113                                 |
| Past due 91~120 days | 306                              | 18.63                                         | 57                                  |
|                      | <b>\$ 2,024,501</b>              |                                               | <b>170</b>                          |

The accounts receivable above did not contain all the amounts that the Group has for partial specific clients. As the uncertainty of receiving such accounts receivable, the Group has fully recognized loss allowance of the total amount. Therefore, it is not included into expected credit loss calculation, and the total amount was \$40,640 thousand.

The Group's analyses of the expected credit loss on its accounts receivable in the Western region (Europe and America) were as follows:

|                        | <b>June 30, 2025</b>             |                                               |                                     |
|------------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                        | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due            | \$ 604,992                       | 0.12                                          | 722                                 |
| Past due 1~30 days     | 59,627                           | 0.88                                          | 525                                 |
| Past due 31~60 days    | 13,109                           | 10.44                                         | 1,368                               |
| Past due 61~90 days    | 24                               | 29.17                                         | 7                                   |
| Past due 121~180 days  | 154                              | 49.35                                         | 76                                  |
| Past due over 180 days | 1,113                            | 100.00                                        | 1,113                               |
|                        | <b>\$ 679,019</b>                |                                               | <b>3,811</b>                        |

|                        | <b>December 31, 2024</b>         |                                               |                                     |
|------------------------|----------------------------------|-----------------------------------------------|-------------------------------------|
|                        | <b>Gross carrying<br/>amount</b> | <b>Weighted<br/>average loss<br/>rate (%)</b> | <b>Loss allowance<br/>provision</b> |
| Not yet due            | \$ 666,090                       | 0.22                                          | 1,444                               |
| Past due 1~30 days     | 108,158                          | 1.02                                          | 1,104                               |
| Past due 31~60 days    | 1,876                            | 5.81                                          | 109                                 |
| Past due 61~90 days    | 3,808                            | 15.26                                         | 581                                 |
| Past due 91~120 days   | 1,351                            | 31.24                                         | 422                                 |
| Past due 121~180 days  | 291                              | 33.33                                         | 97                                  |
| Past due over 180 days | 2,330                            | 100.00                                        | 2,330                               |
|                        | <b>\$ 783,904</b>                |                                               | <b>6,087</b>                        |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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|                       | <b>June 30, 2024</b>         |                                       |                                 |
|-----------------------|------------------------------|---------------------------------------|---------------------------------|
|                       | <b>Gross carrying amount</b> | <b>Weighted average loss rate (%)</b> | <b>Loss allowance provision</b> |
| Not yet due           | \$ 397,919                   | 0.18                                  | 716                             |
| Past due 1~30 days    | 28,057                       | 0.62                                  | 175                             |
| Past due 31~60 days   | 17,949                       | 1.78                                  | 319                             |
| Past due 61~90 days   | 46,354                       | 2.72                                  | 1,263                           |
| Past due 91~120 days  | 20,425                       | 8.04                                  | 1,642                           |
| Past due 121~180 days | 6,028                        | 9.52                                  | 574                             |
|                       | <u><b>\$ 516,732</b></u>     |                                       | <u><b>4,689</b></u>             |

The movements in the allowance for losses of accounts receivable were as follows:

|                                | <b>For the six months ended June 30</b> |                      |
|--------------------------------|-----------------------------------------|----------------------|
|                                | <b>2025</b>                             | <b>2024</b>          |
| Balance at the beginning       | \$ 74,398                               | 55,644               |
| Gain on reversal of impairment | (1,500)                                 | (5,279)              |
| Foreign exchange gains         | (2,807)                                 | (990)                |
| Balance at the ending          | <u><b>\$ 70,091</b></u>                 | <u><b>49,375</b></u> |

(f) Other receivables

|                   | <b>June 30, 2025</b>     | <b>December 31, 2024</b> | <b>June 30, 2024</b>  |
|-------------------|--------------------------|--------------------------|-----------------------|
| Other receivables | <u><b>\$ 222,672</b></u> | <u><b>125,132</b></u>    | <u><b>143,590</b></u> |

The Group did not have any past due other receivables as of June 30, 2025, December 31, 2024, and June 30, 2024.

For more information on credit risk, please refer to note 6(u).

(g) Inventories

|                          | <b>June 30, 2025</b>       |                           |                             |
|--------------------------|----------------------------|---------------------------|-----------------------------|
|                          | <b>Cost</b>                | <b>Allowance for loss</b> | <b>Net realizable value</b> |
| Raw materials            | \$ 1,015,189               | (116,702)                 | 898,487                     |
| Work in process          | 447,842                    | (36,845)                  | 410,997                     |
| Finished goods           | 861,244                    | (127,775)                 | 733,469                     |
| Supplies and spare parts | 517,721                    | (72,121)                  | 445,600                     |
| Goods in transit         | 106,438                    | -                         | 106,438                     |
| Merchandise inventory    | 5,450                      | -                         | 5,450                       |
| Total                    | <u><b>\$ 2,953,884</b></u> | <u><b>(353,443)</b></u>   | <u><b>2,600,441</b></u>     |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                          | <b>December 31, 2024</b> |                           |                             |
|--------------------------|--------------------------|---------------------------|-----------------------------|
|                          | <b>Cost</b>              | <b>Allowance for loss</b> | <b>Net realizable value</b> |
| Raw materials            | \$ 738,100               | (94,972)                  | 643,128                     |
| Work in process          | 416,408                  | (32,986)                  | 383,422                     |
| Finished goods           | 654,153                  | (150,158)                 | 503,995                     |
| Supplies and spare parts | 631,063                  | (70,199)                  | 560,864                     |
| Goods in transit         | 43,296                   | -                         | 43,296                      |
| Merchandise inventory    | 3,890                    | -                         | 3,890                       |
| <b>Total</b>             | <b>\$ 2,486,910</b>      | <b>(348,315)</b>          | <b>2,138,595</b>            |

  

|                          | <b>June 30, 2024</b> |                           |                             |
|--------------------------|----------------------|---------------------------|-----------------------------|
|                          | <b>Cost</b>          | <b>Allowance for loss</b> | <b>Net realizable value</b> |
| Raw materials            | \$ 842,275           | (130,376)                 | 711,899                     |
| Work in process          | 517,935              | (29,475)                  | 488,460                     |
| Finished goods           | 902,618              | (227,952)                 | 674,666                     |
| Supplies and spare parts | 616,988              | (48,944)                  | 568,044                     |
| Goods in transit         | 82,964               | -                         | 82,964                      |
| Merchandise inventory    | 17,552               | -                         | 17,552                      |
| <b>Total</b>             | <b>\$ 2,980,332</b>  | <b>(436,747)</b>          | <b>2,543,585</b>            |

For the six months ended June 30, 2025 and 2024, in addition to the costs of inventories recognized when inventories were sold, the following loss and revenue were included in the Group's operating costs:

|                                                                             | <b>For the three months ended June 30</b> |                | <b>For the six months ended June 30</b> |                |
|-----------------------------------------------------------------------------|-------------------------------------------|----------------|-----------------------------------------|----------------|
|                                                                             | <b>2025</b>                               | <b>2024</b>    | <b>2025</b>                             | <b>2024</b>    |
| Allowance for inventory valuation and obsolescence losses (reversal income) | \$ (2,971)                                | (7,353)        | 19,085                                  | 57,269         |
| Revenue from sale of scrap                                                  | (128,614)                                 | (130,085)      | (254,766)                               | (224,061)      |
| Loss on inventory write-off                                                 | 30,572                                    | 147,782        | 30,572                                  | 185,426        |
| Testing cost                                                                | 1,057                                     | 5,631          | 1,831                                   | 11,544         |
| Idle cost                                                                   | 24,851                                    | 42,493         | 98,616                                  | 125,482        |
| Unallocated manufacturing expense                                           | 186,577                                   | 228,032        | 345,665                                 | 382,023        |
|                                                                             | <b>\$ 111,472</b>                         | <b>286,500</b> | <b>241,003</b>                          | <b>537,683</b> |

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group did not pledge its inventory as collateral.

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## APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (h) Property, plant and equipment

The cost, depreciation, and impairment losses of the property, plant and equipment of the Group in the six months ended June 30, 2025 and 2024, were as follows:

|                                                 |    | Land             | Land improvement | Buildings        | Machinery and equipment | Transportation equipment | Office equipment | Leasehold improvement | Construction in progress and equipment undergoing acceptance testing | Total             |
|-------------------------------------------------|----|------------------|------------------|------------------|-------------------------|--------------------------|------------------|-----------------------|----------------------------------------------------------------------|-------------------|
| Cost:                                           |    |                  |                  |                  |                         |                          |                  |                       |                                                                      |                   |
| Balance at January 1, 2025                      | \$ | 1,012,425        | 14,393           | 5,174,284        | 13,410,870              | 21,132                   | 903,939          | 24,016                | 1,590,261                                                            | 22,151,320        |
| Additions                                       |    | -                | -                | 55,450           | 42,186                  | -                        | 8,958            | -                     | 73,506                                                               | 180,100           |
| Disposals                                       |    | -                | -                | -                | (140,499)               | -                        | (4,027)          | -                     | -                                                                    | (144,526)         |
| Reclassification (notes 1 and 2)                |    | -                | -                | 215,313          | 648,520                 | -                        | 55,742           | -                     | (854,221)                                                            | 65,354            |
| Translation effect                              |    | (38,833)         | (552)            | (206,937)        | (531,605)               | (811)                    | (36,484)         | (865)                 | (36,585)                                                             | (852,672)         |
| Balance at June 30, 2025                        | \$ | <u>973,592</u>   | <u>13,841</u>    | <u>5,238,110</u> | <u>13,429,472</u>       | <u>20,321</u>            | <u>928,128</u>   | <u>23,151</u>         | <u>772,961</u>                                                       | <u>21,399,576</u> |
| Balance at January 1, 2024                      | \$ | 719,031          | 13,505           | 4,770,434        | 12,508,313              | 23,723                   | 819,343          | 24,661                | 528,004                                                              | 19,407,014        |
| Additions                                       |    | 226,913          | -                | 19,953           | 17,973                  | -                        | 12,018           | -                     | 491,533                                                              | 768,390           |
| Disposals                                       |    | -                | -                | -                | (6,858)                 | (1,140)                  | (2,289)          | (1,967)               | -                                                                    | (12,254)          |
| Reclassification (notes 1 and 2)                |    | 13               | -                | 48,453           | 125,673                 | -                        | 4,341            | -                     | 20,905                                                               | 199,385           |
| Translation effect                              |    | (12,892)         | (240)            | (85,039)         | (222,962)               | (420)                    | (14,496)         | (383)                 | (9,584)                                                              | (346,016)         |
| Balance at June 30, 2024                        | \$ | <u>933,065</u>   | <u>13,265</u>    | <u>4,753,801</u> | <u>12,422,139</u>       | <u>22,163</u>            | <u>818,917</u>   | <u>22,311</u>         | <u>1,030,858</u>                                                     | <u>20,016,519</u> |
| Accumulated depreciation and impairment losses: |    |                  |                  |                  |                         |                          |                  |                       |                                                                      |                   |
| Balance at January 1, 2025                      | \$ | -                | 11,039           | 1,875,337        | 6,976,758               | 19,778                   | 630,228          | 21,259                | -                                                                    | 9,534,399         |
| Depreciation                                    |    | -                | 729              | 138,966          | 459,529                 | 485                      | 54,663           | 1,401                 | -                                                                    | 655,773           |
| Impairment loss                                 |    | -                | -                | -                | 8,548                   | -                        | -                | -                     | -                                                                    | 8,548             |
| Disposals                                       |    | -                | -                | -                | (139,771)               | -                        | (3,765)          | -                     | -                                                                    | (143,536)         |
| Translation effect                              |    | -                | (446)            | (74,856)         | (279,296)               | (774)                    | (25,691)         | (803)                 | -                                                                    | (381,866)         |
| Balance at June 30, 2025                        | \$ | <u>-</u>         | <u>11,322</u>    | <u>1,939,447</u> | <u>7,025,768</u>        | <u>19,489</u>            | <u>655,435</u>   | <u>21,857</u>         | <u>-</u>                                                             | <u>9,673,318</u>  |
| Balance at January 1, 2024                      | \$ | -                | 8,859            | 1,477,853        | 5,904,862               | 21,483                   | 500,351          | 18,951                | -                                                                    | 7,932,359         |
| Depreciation                                    |    | -                | 703              | 123,888          | 416,626                 | 493                      | 46,839           | 1,380                 | -                                                                    | 589,929           |
| Impairment loss                                 |    | -                | -                | -                | 7,939                   | -                        | -                | -                     | -                                                                    | 7,939             |
| Disposals                                       |    | -                | -                | -                | (6,580)                 | (1,140)                  | (2,140)          | (1,614)               | -                                                                    | (11,474)          |
| Translation effect                              |    | -                | (158)            | (26,380)         | (105,375)               | (381)                    | (8,880)          | (282)                 | -                                                                    | (141,456)         |
| Balance at June 30, 2024                        | \$ | <u>-</u>         | <u>9,404</u>     | <u>1,575,361</u> | <u>6,217,472</u>        | <u>20,455</u>            | <u>536,170</u>   | <u>18,435</u>         | <u>-</u>                                                             | <u>8,377,297</u>  |
| Carrying amount:                                |    |                  |                  |                  |                         |                          |                  |                       |                                                                      |                   |
| Balance at January 1, 2025                      | \$ | <u>1,012,425</u> | <u>3,354</u>     | <u>3,298,947</u> | <u>6,434,112</u>        | <u>1,354</u>             | <u>273,711</u>   | <u>2,757</u>          | <u>1,590,261</u>                                                     | <u>12,616,921</u> |
| Balance at June 30, 2025                        | \$ | <u>973,592</u>   | <u>2,519</u>     | <u>3,298,663</u> | <u>6,403,704</u>        | <u>832</u>               | <u>272,693</u>   | <u>1,294</u>          | <u>772,961</u>                                                       | <u>11,726,258</u> |
| Balance at June 30, 2024                        | \$ | <u>933,065</u>   | <u>3,861</u>     | <u>3,178,440</u> | <u>6,204,667</u>        | <u>1,708</u>             | <u>282,747</u>   | <u>3,876</u>          | <u>1,030,858</u>                                                     | <u>11,639,222</u> |

- Note 1: The cost of \$75,024 thousand and \$200,105 thousand, respectively, were reclassified from prepayment for equipment for the six months ended June 30, 2025 and 2024.
- Note 2: The cost of \$9,670 thousand and \$720 thousand, respectively, were reclassified from equipment undergoing acceptance testing of property, plant and equipment to intangible assets for the six months ended June 30, 2025 and 2024.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**Impairment Test:**

- (i) As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group performed impairment test of a specific cash-generating unit due to the continuous losses generated from it.
- (ii) The recoverable amount of a cash-generating unit is based on its value in use. Value in use is determined by discounting the future cash flows arising from the continued use of the unit. The value in use calculation is based on the following key assumptions:
  - 1) The estimated cash flows of the unit are based on past experience, actual operating results, the remaining useful life of the equipment, and corporate strategic plans for the followings ten years, and cash flows beyond the five year period are extrapolated using a growth rate of 3%.
  - 2) The Group estimated the pre-tax discount rate based on the weighted-average cost of capital. The discount rate as of June 30, 2025, December 31, 2024, and June 30, 2024 was 12.50%, 12.90% and 13.00%.
- (iii) As of June 30, 2025 and 2024, the Group estimated that the recoverable amount of the cash-generating unit was higher than the carrying amount, and therefore the Group did not recognize impairment losses. As of December 31, 2024, the Group estimated that the recoverable amount of the cash generating unit was lower than the carrying amount and the impairment loss of \$110,338 thousand was recognized.

The Group evaluated the majority of the idle machinery for impairment and estimated the differences between the book value and the recoverable amount. The impairment loss recognized was as follows:

|                    | <b>For the three months<br/>ended June 30</b> |              | <b>For the six months<br/>ended June 30</b> |              |
|--------------------|-----------------------------------------------|--------------|---------------------------------------------|--------------|
|                    | <b>2025</b>                                   | <b>2024</b>  | <b>2025</b>                                 | <b>2024</b>  |
| Loss of impairment | <u>\$ 4,192</u>                               | <u>3,968</u> | <u>8,548</u>                                | <u>7,939</u> |

The Group used the fair value, less selling cost, to calculate the recoverable amount as the basis to assess the impairment of the idle property, plant and equipment.

Please refer to note 6(t) for the amount of interest expenses capitalized.

Please refer to note 8 for more information on the collateral for loans.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Right-of-use assets

The Group leases many assets including buildings, machinery and equipment, and transportation equipment. Information about leases for which the Group as a lessee is presented below:

|                                                 | <b>Buildings</b>  | <b>Machinery<br/>and<br/>equipment</b> | <b>Transportation<br/>equipment</b> | <b>Office<br/>equipment</b> | <b>Total</b>   |
|-------------------------------------------------|-------------------|----------------------------------------|-------------------------------------|-----------------------------|----------------|
| Cost:                                           |                   |                                        |                                     |                             |                |
| Balance at January 1, 2025                      | \$ 214,352        | 128,765                                | 83,190                              | 1,425                       | 427,732        |
| Additions                                       | -                 | 4,780                                  | 3,968                               | -                           | 8,748          |
| Modification of contract                        | (44)              | -                                      | -                                   | -                           | (44)           |
| Translation effect                              | (7,310)           | (5,088)                                | (3,321)                             | (55)                        | (15,774)       |
| Balance at June 30, 2025                        | <u>\$ 206,998</u> | <u>128,457</u>                         | <u>83,837</u>                       | <u>1,370</u>                | <u>420,662</u> |
| Balance at January 1, 2024                      | \$ 173,658        | 107,588                                | 69,342                              | 1,337                       | 351,925        |
| Additions                                       | 7,833             | 11,578                                 | 666                                 | -                           | 20,077         |
| Translation effect                              | (2,395)           | (1,921)                                | (1,223)                             | (24)                        | (5,563)        |
| Balance at June 30, 2024                        | <u>\$ 179,096</u> | <u>117,245</u>                         | <u>68,785</u>                       | <u>1,313</u>                | <u>366,439</u> |
| Accumulated depreciation and impairment losses: |                   |                                        |                                     |                             |                |
| Balance at January 1, 2025                      | \$ 131,018        | 89,075                                 | 62,815                              | 1,374                       | 284,282        |
| Depreciation                                    | 16,008            | 8,437                                  | 5,194                               | -                           | 29,639         |
| Translation effect                              | (4,831)           | (3,681)                                | (2,577)                             | (53)                        | (11,142)       |
| Balance at June 30, 2025                        | <u>\$ 142,195</u> | <u>93,831</u>                          | <u>65,432</u>                       | <u>1,321</u>                | <u>302,779</u> |
| Balance at January 1, 2024                      | \$ 99,543         | 67,309                                 | 48,168                              | 1,289                       | 216,309        |
| Depreciation                                    | 12,885            | 7,724                                  | 5,591                               | -                           | 26,200         |
| Translation effect                              | (1,340)           | (1,202)                                | (847)                               | (23)                        | (3,412)        |
| Balance at June 30, 2024                        | <u>\$ 111,088</u> | <u>73,831</u>                          | <u>52,912</u>                       | <u>1,266</u>                | <u>239,097</u> |
| Carrying amount:                                |                   |                                        |                                     |                             |                |
| Balance at January 1, 2025                      | <u>\$ 83,334</u>  | <u>39,690</u>                          | <u>20,375</u>                       | <u>51</u>                   | <u>143,450</u> |
| Balance at June 30, 2025                        | <u>\$ 64,803</u>  | <u>34,626</u>                          | <u>18,405</u>                       | <u>49</u>                   | <u>117,883</u> |
| Balance at June 30, 2024                        | <u>\$ 68,008</u>  | <u>43,414</u>                          | <u>15,873</u>                       | <u>47</u>                   | <u>127,342</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(j) Intangible assets

The cost, amortization, and impairment losses for the intangible assets of the Group for the six months ended June 30, 2025 and 2024, were as follows:

|                                                     | <u>Goodwill</u>   | <u>Operating<br/>procedure</u> | <u>Customer<br/>relationship</u> | <u>Software</u> | <u>Total</u>   |
|-----------------------------------------------------|-------------------|--------------------------------|----------------------------------|-----------------|----------------|
| Costs:                                              |                   |                                |                                  |                 |                |
| Balance at January 1, 2025                          | \$ 119,768        | 3,127                          | 40,999                           | 201,602         | 365,496        |
| Addition                                            | -                 | -                              | -                                | 889             | 889            |
| Disposal                                            | -                 | -                              | -                                | (16,815)        | (16,815)       |
| Reclassification from property, plant and equipment | -                 | -                              | -                                | 9,670           | 9,670          |
| Translation effect                                  | (4,594)           | (120)                          | (1,573)                          | (7,577)         | (13,864)       |
| Balance at June 30, 2025                            | <u>\$ 115,174</u> | <u>3,007</u>                   | <u>39,426</u>                    | <u>187,769</u>  | <u>345,376</u> |
| Balance at January 1, 2024                          | \$ 112,383        | 2,934                          | 38,471                           | 184,099         | 337,887        |
| Addition                                            | -                 | -                              | -                                | 2,231           | 2,231          |
| Reclassification from property, plant and equipment | -                 | -                              | -                                | 720             | 720            |
| Translation effect                                  | (2,003)           | (52)                           | (686)                            | (3,106)         | (5,847)        |
| Balance at June 30, 2024                            | <u>\$ 110,380</u> | <u>2,882</u>                   | <u>37,785</u>                    | <u>183,944</u>  | <u>334,991</u> |
| Amortization and impairment losses:                 |                   |                                |                                  |                 |                |
| Balance at January 1, 2025                          | \$ -              | 3,127                          | 20,500                           | 154,088         | 177,715        |
| Amortization                                        | -                 | -                              | 2,035                            | 9,787           | 11,822         |
| Disposals                                           | -                 | -                              | -                                | (16,813)        | (16,813)       |
| Translation effect                                  | -                 | (120)                          | (851)                            | (5,671)         | (6,642)        |
| Balance at June 30, 2025                            | <u>\$ -</u>       | <u>3,007</u>                   | <u>21,684</u>                    | <u>141,391</u>  | <u>166,082</u> |
| Balance at January 1, 2024                          | \$ -              | 2,347                          | 15,388                           | 126,499         | 144,234        |
| Amortization                                        | -                 | 288                            | 1,890                            | 8,848           | 11,026         |
| Translation effect                                  | -                 | (41)                           | (275)                            | (2,235)         | (2,551)        |
| Balance at June 30, 2024                            | <u>\$ -</u>       | <u>2,594</u>                   | <u>17,003</u>                    | <u>133,112</u>  | <u>152,709</u> |
| Carrying amount:                                    |                   |                                |                                  |                 |                |
| Balance at January 1, 2025                          | <u>\$ 119,768</u> | <u>-</u>                       | <u>20,499</u>                    | <u>47,514</u>   | <u>187,781</u> |
| Balance at June 30, 2025                            | <u>\$ 115,174</u> | <u>-</u>                       | <u>17,742</u>                    | <u>46,378</u>   | <u>179,294</u> |
| Balance at June 30, 2024                            | <u>\$ 110,380</u> | <u>288</u>                     | <u>20,782</u>                    | <u>50,832</u>   | <u>182,282</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(k) Short-term loans

|                    | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|--------------------|----------------------|------------------------------|----------------------|
| Secured loans      | \$ 82,809            | 133,952                      | 79,362               |
| Unsecured loans    | 2,397,228            | 1,805,002                    | 2,352,346            |
| Total              | <u>\$ 2,480,037</u>  | <u>1,938,954</u>             | <u>2,431,708</u>     |
| Unused credit line | <u>\$ 503,963</u>    | <u>1,304,298</u>             | <u>1,251,381</u>     |
| Interest rate (%)  | <u>2.20~5.71</u>     | <u>2.22~5.95</u>             | <u>2.22~5.70</u>     |

Please refer to note 8 for more information on the collateral for loans from bank.

(l) Long-term loans

The long-term loans of the Group were stated as follows:

|                              | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|------------------------------|----------------------|------------------------------|----------------------|
| Secured loans                | \$ 250,856           | 375,334                      | 451,429              |
| Unsecured loans              | 6,706,480            | 6,870,803                    | 5,681,450            |
| Less: deferred financing fee | (2,620)              | (3,697)                      | (4,011)              |
| Subtotal                     | 6,954,716            | 7,242,440                    | 6,128,868            |
| Less: current portion        | (3,004,487)          | (5,970,435)                  | (2,379,830)          |
| Total                        | <u>\$ 3,950,229</u>  | <u>1,272,005</u>             | <u>3,749,038</u>     |
| Unused credit line           | <u>\$ 2,207,656</u>  | <u>3,894,907</u>             | <u>6,996,576</u>     |
| Interest rate (%)            | <u>2.22~5.76</u>     | <u>2.24~6.41</u>             | <u>2.24~6.41</u>     |
| Maturity date                | <u>2025.7~2029.6</u> | <u>2025.2~2029.6</u>         | <u>2024.7~2029.6</u> |

(i) Collateral for loans

Please refer to note 8 for more information on the collateral for loans.

(ii) Loan contracts

The increase in long-term loans for the six months ended June 30, 2025 and 2024 were \$1,360,559 thousand and \$1,189,330 thousand, with the interest rates ranging from 2.22% to 5.76% and 2.30% to 6.41%, and repayment maturities ranging from July 2025 to June 2029 and from July 2024 to June 2029, as well as repayments amounting to \$1,405,330 thousand and \$996,999 thousand, respectively.

According to the loan contract between the Company, APT and the bank, the audited financial report is reviewed once or twice a year as the basis for debt covenants calculation, and the certain financial ratios shall be maintained over the life of the loan such as the current ratio, debt ratio and interest coverage ratio.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Due to the decline in market demand, the Company and APT violated the above debt covenants with Taipei Fubon Commercial Bank as of June 30, 2024. After negotiating with the bank, the Group has obtained the waiver. As a result, the Company and APT had no obligation to repay the bank borrowings immediately at June 30, 2024.

The Company and APT violated the debt covenants of certain banks as of December 31, 2024, wherein the Group has obtained a waiver for reviewing the debt covenants in January and February 2025.

For the related information, please refer to note 6(k) of the consolidated financial statements for the year ended December 31, 2024.

(m) Lease liabilities

The amounts of leased liability were as follows:

|             | <b>June 30, 2025</b>     | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b>  |
|-------------|--------------------------|------------------------------|-----------------------|
| Current     | \$ 53,134                | 56,223                       | 49,160                |
| Non-current | 69,248                   | 91,717                       | 82,142                |
|             | <b><u>\$ 122,382</u></b> | <b><u>147,940</u></b>        | <b><u>131,302</u></b> |

Please refer to note 6(u) for more information on maturity analysis.

The amounts recognized in profit or loss were as follows:

|                                                                                                  | <b>For the three months<br/>ended June 30</b> | <b>For the six months<br/>ended June 30</b> |               |              |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------|---------------|--------------|
|                                                                                                  | <b>2025</b>                                   | <b>2024</b>                                 | <b>2025</b>   | <b>2024</b>  |
| Interest on lease liabilities                                                                    | \$ <u>1,217</u>                               | <u>1,104</u>                                | <u>2,550</u>  | <u>2,130</u> |
| Expenses relating to short-term leases                                                           | \$ <u>5,616</u>                               | <u>1,244</u>                                | <u>13,531</u> | <u>2,427</u> |
| Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets | \$ <u>(414)</u>                               | <u>118</u>                                  | <u>270</u>    | <u>235</u>   |

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

|                                              | <b>For the six months ended June 30</b> |                      |
|----------------------------------------------|-----------------------------------------|----------------------|
|                                              | <b>2025</b>                             | <b>2024</b>          |
| Total cash outflow from operating activities | \$ 16,351                               | 4,792                |
| Total cash outflow from financing activities | 29,462                                  | 25,983               |
| Total cash outflow for leases                | <b><u>\$ 45,813</u></b>                 | <b><u>30,775</u></b> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Real estate leases

The Group leases buildings for its office space and warehouse. The leases of warehouse typically run for a period of 2 to 6 years, and of office for 1 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases of buildings contain extension options exercisable by the Group, the extension options held are exercisable only by the Group and not by the lessors. In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

(ii) Other leases

The Group leases office equipment and transportation equipment with lease terms of 1 to 7 years. Some of these leases are considered as short-term leases or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(n) Employee benefits

(i) Defined benefit plans

Given there was no significant volatility of the market or any significant curtailments, settlements, or other one-time events in the prior fiscal year, pension cost in the interim financial statements is measured and disclosed in accordance with the pension cost determined by the actuarial report issued for the years ended December 31, 2024 and 2023.

The Group's expenses recognized in profit or loss, were as follows:

|                         | <b>For the three months<br/>ended June 30</b> |                     | <b>For the six months<br/>ended June 30</b> |                     |
|-------------------------|-----------------------------------------------|---------------------|---------------------------------------------|---------------------|
|                         | <b>2025</b>                                   | <b>2024</b>         | <b>2025</b>                                 | <b>2024</b>         |
| Operating costs         | \$ 1,450                                      | 1,807               | 2,958                                       | 3,615               |
| Administration expenses | 1,186                                         | 1,333               | 2,419                                       | 2,668               |
|                         | <u><b>\$ 2,636</b></u>                        | <u><b>3,140</b></u> | <u><b>5,377</b></u>                         | <u><b>6,283</b></u> |

(ii) Defined contribution plans

Pension costs paid by the Group to the Bureau of Labor Insurance based on the defined contribution plans were as follows:

|                         | <b>For the three months<br/>ended June 30</b> |                   | <b>For the six months<br/>ended June 30</b> |                   |
|-------------------------|-----------------------------------------------|-------------------|---------------------------------------------|-------------------|
|                         | <b>2025</b>                                   | <b>2024</b>       | <b>2025</b>                                 | <b>2024</b>       |
| Administration expenses | <u><b>\$ 221</b></u>                          | <u><b>216</b></u> | <u><b>429</b></u>                           | <u><b>432</b></u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Long-term employee benefit plan

The balance of the Group's long-term employee benefit plan amounted to \$10,454 thousand, \$7,459 thousand and \$8,727 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.

(o) Income taxes

The amounts of income tax for the three months and six months ended June 30, 2025 and 2024, were as follows:

|                              | <b>For the three months<br/>ended June 30</b> |             | <b>For the six months<br/>ended June 30</b> |             |
|------------------------------|-----------------------------------------------|-------------|---------------------------------------------|-------------|
|                              | <b>2025</b>                                   | <b>2024</b> | <b>2025</b>                                 | <b>2024</b> |
| Current tax expense          |                                               |             |                                             |             |
| Current period               | \$ 114                                        | 608         | 114                                         | 969         |
| Adjustment for prior periods | 182                                           | -           | 182                                         | -           |
| Income tax expenses          | <u>\$ 296</u>                                 | <u>608</u>  | <u>296</u>                                  | <u>969</u>  |

The Company and AET are not required to pay income tax and file an income tax return in the country in which they are incorporated.

In Thailand and Singapore, where APT, APS and APSS operate, income taxes do not require approval by the tax authority. Income taxes paid in prior years have received income tax receipts up to 2023. The income tax return of AET's Taiwan Branch and the Company's Taiwan Branch had been approved by the Revenue department through 2023. The income tax of APC had been submitted to the Revenue department through 2023.

(p) Share capital and other equity

Except for the following, there were no significant changes in the Group's share capital and other equity for the six months ended June 30, 2025 and 2024. Please refer to note 6(o) of the 2024 consolidated financial statements for related information.

According to the Company's Articles of Association, when allocating the net profit for each fiscal year, the Company should first offset its losses incurred in previous years, and appropriate a special surplus reserve as required by the regulators under the applicable public company rules. After the distribution, the remainder is to be combined with unappropriated earnings at the beginning of the period to form accumulated distributable profits. The Board of Directors shall prepare a resolution for the distribution of earnings in accordance with the dividend policy. If all or parts of the distribution were made in cash, it shall be approved by a majority vote cast at a meeting of the Board with two-thirds or more of the Directors present at the Board meeting; and in addition thereto a report of such distribution shall be submitted to the annual shareholders' meeting.

There were no earnings distributed in 2024 and 2023 based on a resolution passed by the Board of Directors on February 28, 2025 and 2024, respectively.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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The related information about the earnings distribution that was approved by the Company's Board of Directors and the general meeting of shareholders is available on the Market Observation Post System website.

(q) Deficits per share

The calculation of basic and diluted deficits per share was as follows:

|                                                                            | For the three months<br>ended June 30 |                  | For the six months<br>ended June 30 |                  |
|----------------------------------------------------------------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                                                                            | 2025                                  | 2024             | 2025                                | 2024             |
| Basic deficits per share (diluted deficits per share):                     |                                       |                  |                                     |                  |
| Net loss                                                                   | \$ <u>(286,297)</u>                   | <u>(340,661)</u> | <u>(580,105)</u>                    | <u>(625,037)</u> |
| Weighted-average number of common shares outstanding (thousand shares)     | <u>219,938</u>                        | <u>189,938</u>   | <u>219,938</u>                      | <u>189,938</u>   |
| Basic deficits per share / diluted deficits per share (New Taiwan Dollars) | \$ <u>(1.30)</u>                      | <u>(1.79)</u>    | <u>(2.64)</u>                       | <u>(3.29)</u>    |

(r) Revenues from contracts with customers

(i) Disaggregation of revenue

|                                  | For the three months<br>ended June 30 |                  | For the six months<br>ended June 30 |                  |
|----------------------------------|---------------------------------------|------------------|-------------------------------------|------------------|
|                                  | 2025                                  | 2024             | 2025                                | 2024             |
| Primary geographical markets:    |                                       |                  |                                     |                  |
| Thailand                         | \$ 570,623                            | 534,269          | 1,123,426                           | 1,029,916        |
| Korea                            | 414,893                               | 508,226          | 967,696                             | 999,237          |
| Vietnam                          | 300,057                               | 478,566          | 801,647                             | 993,994          |
| Singapore                        | 283,962                               | 509,372          | 762,875                             | 1,074,416        |
| Hong Kong                        | 364,453                               | 273,546          | 679,803                             | 588,896          |
| Others                           | <u>952,279</u>                        | <u>833,525</u>   | <u>1,687,545</u>                    | <u>1,265,900</u> |
|                                  | <u>\$ 2,886,267</u>                   | <u>3,137,504</u> | <u>6,022,992</u>                    | <u>5,952,359</u> |
| Main product/service line        |                                       |                  |                                     |                  |
| Single-layer PCB sales           | \$ 101,647                            | 87,670           | 206,018                             | 173,832          |
| Double-layer PCB sales           | 539,942                               | 747,659          | 1,219,551                           | 1,542,365        |
| Multi-layer PCB sales            | 2,245,380                             | 2,299,027        | 4,606,446                           | 4,230,625        |
| Others                           | 7,382                                 | 9,503            | 15,646                              | 16,553           |
| Less: sales return and allowance | <u>(8,084)</u>                        | <u>(6,355)</u>   | <u>(24,669)</u>                     | <u>(11,016)</u>  |
|                                  | <u>\$ 2,886,267</u>                   | <u>3,137,504</u> | <u>6,022,992</u>                    | <u>5,952,359</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Balances of contract

|                      | <b>June 30, 2025</b>       | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b>    |
|----------------------|----------------------------|------------------------------|-------------------------|
| Notes receivable     | \$ 735                     | 3,559                        | 1,711                   |
| Accounts receivable  | 3,213,364                  | 3,473,911                    | 3,100,344               |
| Less: loss allowance | <u>(70,091)</u>            | <u>(74,398)</u>              | <u>(49,375)</u>         |
| Total                | <u><b>\$ 3,144,008</b></u> | <u><b>3,403,072</b></u>      | <u><b>3,052,680</b></u> |

(s) Remunerations to employees and directors

According to the Company's Articles of Association, where there are profits in a given year, after reserving the amount for covering the accumulated losses, a maximum of 2% of the profit shall be distributed as remunerations to employees and directors. Employee remuneration may be distributed in the form of shares or cash, and may be allocated to qualified employees of the Company's subsidiaries.

Due to losses incurred during the three-month and six-month periods ended June 30, 2025 and 2024, no estimated amounts of employees' remuneration and directors' remuneration were recognized. If there are differences between the actual distribution and estimated amount, they will be treated as changes in accounting estimates, and recognized as gain or loss in the following year.

The 2024 and 2023 remunerations to both employees and directors had been decided during the board meeting held on February 28, 2025 and 2024, respectively, wherein there were no differences between the actual and estimated amounts for both years.

The related information is available on the Market Observation Post System website.

(t) Non-operating income and expenses

(i) Interest income

The details of interest income of the Group were as follows:

|                                  | <b>For the three months<br/>ended June 30</b> |                     | <b>For the six months<br/>ended June 30</b> |                     |
|----------------------------------|-----------------------------------------------|---------------------|---------------------------------------------|---------------------|
|                                  | <b>2025</b>                                   | <b>2024</b>         | <b>2025</b>                                 | <b>2024</b>         |
| Interest income on bank deposits | <u><b>\$ 1,062</b></u>                        | <u><b>1,039</b></u> | <u><b>1,352</b></u>                         | <u><b>1,194</b></u> |

(ii) Other income

The details of other income of the Group were as follows:

|                                    | <b>For the three months<br/>ended June 30</b> |                      | <b>For the six months<br/>ended June 30</b> |                      |
|------------------------------------|-----------------------------------------------|----------------------|---------------------------------------------|----------------------|
|                                    | <b>2025</b>                                   | <b>2024</b>          | <b>2025</b>                                 | <b>2024</b>          |
| Income from cancellation of orders | \$ 208                                        | 23,887               | 5,303                                       | 27,041               |
| Others                             | <u>10,582</u>                                 | <u>7,740</u>         | <u>18,150</u>                               | <u>15,688</u>        |
|                                    | <u><b>\$ 10,790</b></u>                       | <u><b>31,627</b></u> | <u><b>23,453</b></u>                        | <u><b>42,729</b></u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Other gains and losses

The details of other gains and losses of the Group were as follows:

|                                                             | <b>For the three months<br/>ended June 30</b> |              | <b>For the six months<br/>ended June 30</b> |               |
|-------------------------------------------------------------|-----------------------------------------------|--------------|---------------------------------------------|---------------|
|                                                             | <b>2025</b>                                   | <b>2024</b>  | <b>2025</b>                                 | <b>2024</b>   |
| Gains (losses) on disposal of property, plant and equipment | \$ (398)                                      | (685)        | 6,706                                       | (780)         |
| Losses on disposal of intangible assets                     | (2)                                           | -            | (2)                                         | -             |
| Net foreign exchange gains                                  | 52,375                                        | 12,823       | 73,451                                      | 72,302        |
| Valuation losses on financial assets or liabilities, net    | (27,376)                                      | (2,978)      | (29,241)                                    | (52,086)      |
| Loss of impairment                                          | (4,192)                                       | (3,968)      | (8,548)                                     | (7,939)       |
| Other                                                       | 186                                           | (5)          | (6,827)                                     | 12            |
|                                                             | <b>\$ 20,593</b>                              | <b>5,187</b> | <b>35,539</b>                               | <b>11,509</b> |

(iv) Finance cost

The details of finance cost of the Group were as follows:

|                                       | <b>For the three months<br/>ended June 30</b> |               | <b>For the six months<br/>ended June 30</b> |                |
|---------------------------------------|-----------------------------------------------|---------------|---------------------------------------------|----------------|
|                                       | <b>2025</b>                                   | <b>2024</b>   | <b>2025</b>                                 | <b>2024</b>    |
| Interest expense on loans from banks  | \$ 94,567                                     | 81,307        | 191,444                                     | 160,948        |
| Interest expense on lease liabilities | 1,217                                         | 1,104         | 2,550                                       | 2,130          |
| Less: interest expense capitalized    | (6,863)                                       | (11,156)      | (15,089)                                    | (20,613)       |
|                                       | <b>\$ 88,921</b>                              | <b>71,255</b> | <b>178,905</b>                              | <b>142,465</b> |

(u) Financial instruments

Except for the following, there were no significant changes in the credit risk and interest rate risk the Group was exposed to. Please refer to note 6(t) of the 2024 consolidated financial statements for related information.

(i) Credit risk

1) Risk exposure

The book value of financial assets represents the maximum risk exposure.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Concentration of credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the statistical information on the Group's customer base, including the default risk of the industry and country in which customers operate. The Group's accounts receivable are obviously concentrated on three main customers, which accounted for 36%, 39% and 37% of the total amount of notes and accounts receivable as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively. As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's accounts receivable concentrated on three main customers were \$1,120,282 thousand, \$1,320,835 thousand and \$1,114,625 thousand, respectively.

3) Credit risk of accounts receivable

Please refer to note 6(e) for information on credit risk of accounts receivable; note 6(d) for details of financial assets measured at amortized cost and note 6(f) for details of other receivables. Financial assets measured at amortized cost, other receivables and refundable deposits are considered to have low risk, and thus, the allowance for bad debts are measured by the expected losses of 12 months during the period.

(ii) Liquidity risk

The following table shows the maturity of the financial liabilities including estimated interest:

|                                                                       | <u>Carrying<br/>amount</u>  | <u>Contractual<br/>cash flows</u> | <u>Less than 1<br/>year</u> | <u>1-2 years</u>        | <u>More than<br/>2 years</u> |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------------|-----------------------------|-------------------------|------------------------------|
| <b>June 30, 2025</b>                                                  |                             |                                   |                             |                         |                              |
| Non-derivative financial liabilities                                  |                             |                                   |                             |                         |                              |
| Short-term loans                                                      | \$ 2,480,037                | 2,493,676                         | 2,493,676                   | -                       | -                            |
| Long-term loans                                                       | 6,954,716                   | 7,439,607                         | 3,815,504                   | 1,477,327               | 2,146,776                    |
| Lease liabilities                                                     | 122,382                     | 129,107                           | 56,743                      | 40,632                  | 31,732                       |
| Accounts payable                                                      | 2,582,119                   | 2,582,119                         | 2,582,119                   | -                       | -                            |
| Other payables (including<br>payables for machinery and<br>equipment) | 700,835                     | 700,835                           | 700,835                     | -                       | -                            |
| Long-term payable                                                     | 2,965                       | 2,965                             | -                           | 2,965                   | -                            |
| Derivative financial liabilities                                      |                             |                                   |                             |                         |                              |
| Other forward contract —                                              |                             |                                   |                             |                         |                              |
| Inflow                                                                | -                           | (967,625)                         | (967,625)                   | -                       | -                            |
| Outflow                                                               | 22,779                      | 990,404                           | 990,404                     | -                       | -                            |
|                                                                       | <u><u>\$ 12,865,833</u></u> | <u><u>13,371,088</u></u>          | <u><u>9,671,656</u></u>     | <u><u>1,520,924</u></u> | <u><u>2,178,508</u></u>      |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                                                       | <u>Carrying<br/>amount</u>  | <u>Contractual<br/>cash flows</u> | <u>Less than 1<br/>year</u> | <u>1-2 years</u>        | <u>More than<br/>2 years</u> |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------------|-----------------------------|-------------------------|------------------------------|
| <b>December 31, 2024</b>                                              |                             |                                   |                             |                         |                              |
| Non-derivative financial liabilities                                  |                             |                                   |                             |                         |                              |
| Short-term loans                                                      | \$ 1,938,954                | 1,956,155                         | 1,956,155                   | -                       | -                            |
| Long-term loans                                                       | 7,242,440                   | 7,791,429                         | 6,556,788                   | 1,039,208               | 195,433                      |
| Lease liabilities                                                     | 147,940                     | 156,745                           | 60,601                      | 50,107                  | 46,037                       |
| Accounts payable                                                      | 2,140,236                   | 2,140,236                         | 2,140,236                   | -                       | -                            |
| Other payables (including<br>payables for machinery and<br>equipment) | 1,039,079                   | 1,039,079                         | 1,039,079                   | -                       | -                            |
| Long-term payable                                                     | 6,167                       | 6,167                             | -                           | 5,286                   | 881                          |
| Derivative financial liabilities                                      |                             |                                   |                             |                         |                              |
| Other forward contract—                                               |                             |                                   |                             |                         |                              |
| Inflow                                                                | -                           | (92,037)                          | (92,037)                    | -                       | -                            |
| Outflow                                                               | <u>1,077</u>                | <u>93,114</u>                     | <u>93,114</u>               | <u>-</u>                | <u>-</u>                     |
|                                                                       | <b><u>\$ 12,515,893</u></b> | <b><u>13,090,888</u></b>          | <b><u>11,753,936</u></b>    | <b><u>1,094,601</u></b> | <b><u>242,351</u></b>        |
| <b>June 30, 2024</b>                                                  |                             |                                   |                             |                         |                              |
| Non-derivative financial liabilities                                  |                             |                                   |                             |                         |                              |
| Short-term loans                                                      | \$ 2,431,708                | 2,455,155                         | 2,455,155                   | -                       | -                            |
| Long-term loans                                                       | 6,128,868                   | 6,537,309                         | 2,606,945                   | 2,371,730               | 1,558,634                    |
| Lease liabilities                                                     | 131,302                     | 137,850                           | 52,618                      | 43,794                  | 41,438                       |
| Accounts payable                                                      | 2,626,925                   | 2,626,925                         | 2,626,925                   | -                       | -                            |
| Other payables (including<br>payables for machinery and<br>equipment) | 873,134                     | 873,134                           | 873,134                     | -                       | -                            |
| Long-term payable                                                     | 8,120                       | 8,120                             | -                           | 4,872                   | 3,248                        |
| Derivative financial liabilities                                      |                             |                                   |                             |                         |                              |
| Other forward contract—                                               |                             |                                   |                             |                         |                              |
| Inflow                                                                | -                           | (340,914)                         | (340,914)                   | -                       | -                            |
| Outflow                                                               | <u>2,587</u>                | <u>343,501</u>                    | <u>343,501</u>              | <u>-</u>                | <u>-</u>                     |
|                                                                       | <b><u>\$ 12,202,644</u></b> | <b><u>12,641,080</u></b>          | <b><u>8,617,364</u></b>     | <b><u>2,420,396</u></b> | <b><u>1,603,320</u></b>      |

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Currency risk

1) Currency risk exposure

The Group's significant exposure to foreign currency risk was as follows:

|                       | June 30, 2025       |                  |        | December 31, 2024   |                  |        | June 30, 2024       |                  |        |           |
|-----------------------|---------------------|------------------|--------|---------------------|------------------|--------|---------------------|------------------|--------|-----------|
|                       | Foreign<br>currency | Exchange<br>rate | Amount | Foreign<br>currency | Exchange<br>rate | Amount | Foreign<br>currency | Exchange<br>rate | Amount |           |
| Financial assets      |                     |                  |        |                     |                  |        |                     |                  |        |           |
| Monetary items        |                     |                  |        |                     |                  |        |                     |                  |        |           |
| USD                   | \$                  | 108,965          | 29.80  | 3,247,469           | 97,532           | 32.22  | 3,239,936           | 83,664           | 32.35  | 2,706,904 |
| Financial liabilities |                     |                  |        |                     |                  |        |                     |                  |        |           |
| Monetary items        |                     |                  |        |                     |                  |        |                     |                  |        |           |
| USD                   |                     | 149,649          | 30.09  | 4,502,411           | 108,042          | 33.50  | 3,619,020           | 65,062           | 32.56  | 2,118,174 |

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, financial assets measured at amortized cost, accounts receivable and other receivables, loans and borrowings, and accounts payable, other payables, payable for machinery and equipment and long-term payable that are denominated in foreign currency.

A 5% strengthening of the NTD and THB against the USD as at June 30, 2025 and 2024, would have decrease and increased net loss before tax for the six months ended June 30, 2025 and 2024, by \$63,000 thousand and \$29,000 thousand, respectively. The analysis assumes that all other variables remain constant, and is performed on the same basis for 2024.

3) Exchange gains and losses on monetary items

Due to the numerous types of functional currency of the Group, the Group discloses its exchange gains and losses of monetary items aggregately. The Group's exchange gains, including realized and unrealized, were \$52,375 thousand, \$12,823 thousand, \$73,451 thousand and \$72,302 thousand, respectively, for the three months and six months ended June 30, 2025 and 2024.

(iv) Interest rate risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to interest rate risk for derivative and non-derivative financial instruments on the reporting date.

For variable-rate instruments, the sensitivity analysis assumes the variable-rate liabilities are outstanding for the whole year ended at the reporting date. The Group internally reported the increases / decreases in interest rates and the exposure to changes in interest rates of 0.25% to the Group's key management so as to allow key management to assess the reasonableness of the changes in interest rates.

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
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If the interest rate had increased / decreased by 0.25%, the Group's net loss would have increased / decreased by \$11,793 thousand and \$10,700 thousand, respectively, for the six months ended June 30, 2025 and 2024, with all other variable factors remaining constant. This was mainly due to the Group's interest rate of borrowing at variable rates.

(v) Other market price risk

For the six months ended June 30, 2025 and 2024, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for other comprehensive income before tax as illustrated below:

| <u>Prices of securities at the reporting date</u> | <u>For the six months ended June 30</u> |             |
|---------------------------------------------------|-----------------------------------------|-------------|
|                                                   | <u>2025</u>                             | <u>2024</u> |
| 5% increase                                       | \$ <u>704</u>                           | <u>-</u>    |
| 5% decrease                                       | \$ <u>(704)</u>                         | <u>-</u>    |

(vi) Fair value information

1) Categories and fair value of financial instruments

The Group's financial assets at fair value through profit or loss are measured at fair value on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

|                                                                   | <u>June 30, 2025</u> |                   |                |                |               |
|-------------------------------------------------------------------|----------------------|-------------------|----------------|----------------|---------------|
|                                                                   | <u>Amount</u>        | <u>Fair value</u> |                |                | <u>Total</u>  |
|                                                                   |                      | <u>Level 1</u>    | <u>Level 2</u> | <u>Level 3</u> |               |
| Financial assets at fair value through profit or loss             |                      |                   |                |                |               |
| Derivative financial assets — current                             | \$ <u>50</u>         | <u>-</u>          | <u>50</u>      | <u>-</u>       | <u>50</u>     |
| Financial assets at fair value through other comprehensive income |                      |                   |                |                |               |
| Unlisted common shares                                            | <u>14,077</u>        | <u>-</u>          | <u>-</u>       | <u>14,077</u>  | <u>14,077</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <b>June 30, 2025</b>                                            |                      |                   |                |                |               |
|-----------------------------------------------------------------|----------------------|-------------------|----------------|----------------|---------------|
|                                                                 | <u>Amount</u>        | <u>Fair value</u> |                |                | <u>Total</u>  |
|                                                                 |                      | <u>Level 1</u>    | <u>Level 2</u> | <u>Level 3</u> |               |
| Financial assets measured at amortized cost                     |                      |                   |                |                |               |
| Cash and cash equivalents                                       | \$ 640,534           | -                 | -              | -              | -             |
| Financial assets at amortized cost                              | 14,353               | -                 | -              | -              | -             |
| Notes receivables                                               | 735                  | -                 | -              | -              | -             |
| Accounts receivables                                            | 3,143,273            | -                 | -              | -              | -             |
| Other receivables                                               | 222,672              | -                 | -              | -              | -             |
| Refundable deposits                                             | 6,731                | -                 | -              | -              | -             |
| Other financial assets                                          | 44,331               | -                 | -              | -              | -             |
| Subtotal                                                        | 4,072,629            | -                 | -              | -              | -             |
| Total                                                           | <u>\$ 4,086,756</u>  | <u>-</u>          | <u>50</u>      | <u>14,077</u>  | <u>14,127</u> |
| Financial liabilities at fair value through profit or loss      |                      |                   |                |                |               |
| Derivative financial liabilities – current                      | \$ 22,779            | -                 | 22,779         | -              | 22,779        |
| Financial liabilities measured at amortized cost                |                      |                   |                |                |               |
| Short-term loans                                                | 2,480,037            | -                 | -              | -              | -             |
| Long-term loans                                                 | 6,954,716            | -                 | -              | -              | -             |
| Lease liabilities                                               | 122,382              | -                 | -              | -              | -             |
| Accounts payable                                                | 2,582,119            | -                 | -              | -              | -             |
| Other payables (including payables for machinery and equipment) | 700,835              | -                 | -              | -              | -             |
| Long-term payable                                               | 2,965                | -                 | -              | -              | -             |
| Subtotal                                                        | 12,843,054           | -                 | -              | -              | -             |
| Total                                                           | <u>\$ 12,865,833</u> | <u>-</u>          | <u>22,779</u>  | <u>-</u>       | <u>22,779</u> |

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|                                                                 | December 31, 2024    |            |              |          |              |
|-----------------------------------------------------------------|----------------------|------------|--------------|----------|--------------|
|                                                                 | Amount               | Fair value |              |          | Total        |
|                                                                 |                      | Level 1    | Level 2      | Level 3  |              |
| Financial assets at fair value through profit or loss           |                      |            |              |          |              |
| Derivative financial assets — current                           | \$ 2,219             | -          | 2,219        | -        | 2,219        |
| Financial assets measured at amortized cost                     |                      |            |              |          |              |
| Cash and cash equivalents                                       | 530,763              | -          | -            | -        | -            |
| Financial assets at amortized cost                              | 30,087               | -          | -            | -        | -            |
| Notes receivables                                               | 3,559                | -          | -            | -        | -            |
| Accounts receivables                                            | 3,399,513            | -          | -            | -        | -            |
| Other receivables                                               | 125,132              | -          | -            | -        | -            |
| Refundable deposits                                             | 7,815                | -          | -            | -        | -            |
| Other financial assets                                          | 31,983               | -          | -            | -        | -            |
| Subtotal                                                        | 4,128,852            | -          | -            | -        | -            |
| Total                                                           | <u>\$ 4,131,071</u>  | <u>-</u>   | <u>2,219</u> | <u>-</u> | <u>2,219</u> |
| Financial liabilities at fair value through profit or loss      |                      |            |              |          |              |
| Derivative financial liabilities — current                      | \$ 1,077             | -          | 1,077        | -        | 1,077        |
| Financial liabilities measured at amortized cost                |                      |            |              |          |              |
| Short-term loans                                                | 1,938,954            | -          | -            | -        | -            |
| Long-term loans                                                 | 7,242,440            | -          | -            | -        | -            |
| Lease liabilities                                               | 147,940              | -          | -            | -        | -            |
| Accounts payable                                                | 2,140,236            | -          | -            | -        | -            |
| Other payables (including payables for machinery and equipment) | 1,039,079            | -          | -            | -        | -            |
| Long-term payable                                               | 6,167                | -          | -            | -        | -            |
| Subtotal                                                        | 12,514,816           | -          | -            | -        | -            |
| Total                                                           | <u>\$ 12,515,893</u> | <u>-</u>   | <u>1,077</u> | <u>-</u> | <u>1,077</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                                                 | <b>June 30, 2024</b> |                   |                |                |              |
|-----------------------------------------------------------------|----------------------|-------------------|----------------|----------------|--------------|
|                                                                 | <b>Amount</b>        | <b>Fair value</b> |                |                | <b>Total</b> |
|                                                                 |                      | <b>Level 1</b>    | <b>Level 2</b> | <b>Level 3</b> |              |
| Financial assets at fair value through profit or loss           |                      |                   |                |                |              |
| Derivative financial assets — current                           | \$ 457               | -                 | 457            | -              | 457          |
| Financial assets measured at amortized cost                     |                      |                   |                |                |              |
| Cash and cash equivalents                                       | 558,850              | -                 | -              | -              | -            |
| Financial assets measured at amortized cost                     | 13,227               | -                 | -              | -              | -            |
| Notes receivables                                               | 1,711                | -                 | -              | -              | -            |
| Accounts receivables                                            | 3,050,969            | -                 | -              | -              | -            |
| Other receivables                                               | 143,590              | -                 | -              | -              | -            |
| Refundable deposits                                             | 8,004                | -                 | -              | -              | -            |
| Other financial assets                                          | 10,382               | -                 | -              | -              | -            |
| Subtotal                                                        | 3,786,733            | -                 | -              | -              | -            |
| Total                                                           | <b>\$ 3,787,190</b>  | <b>-</b>          | <b>457</b>     | <b>-</b>       | <b>457</b>   |
| Financial liabilities at fair value through profit or loss      |                      |                   |                |                |              |
| Derivative financial liabilities — current                      | \$ 2,587             | -                 | 2,587          | -              | 2,587        |
| Financial liabilities measured at amortized cost                |                      |                   |                |                |              |
| Short-term loans                                                | 2,431,708            | -                 | -              | -              | -            |
| Long-term loans                                                 | 6,128,868            | -                 | -              | -              | -            |
| Lease liabilities                                               | 131,302              | -                 | -              | -              | -            |
| Accounts payable                                                | 2,626,925            | -                 | -              | -              | -            |
| Other payables (including payables for machinery and equipment) | 873,134              | -                 | -              | -              | -            |
| Long-term payable                                               | 8,120                | -                 | -              | -              | -            |
| Subtotal                                                        | 12,200,057           | -                 | -              | -              | -            |
| Total                                                           | <b>\$ 12,202,644</b> | <b>-</b>          | <b>2,587</b>   | <b>-</b>       | <b>2,587</b> |

(Continued)

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Valuation techniques and assumptions used in fair value determination

a) Non-derivative financial instruments

- i) The carrying amounts of the following short-term financial instruments approximate their fair values because of their short maturities and payment request or payment amount of future cash flow will not be changed due to timing difference, and the book value is a reasonable approximation of fair value. This method applies to cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable and payable, other receivables and payables, refundable deposits, other financial assets, short-term loans, payables for machinery and equipment.
- ii) Fair value of long-term loans, lease liabilities, and long-term payable are estimated using the present value of future cash flows discounted by the interest rates the Group may obtain for similar loans and lease payable. However, long-term loans are recognized at its book value because most of it has floating rates. Lease liabilities are calculated based on the fixed rate agreed in the lease contract or incremental borrowing rate. The present value of long-term payable is calculated based on the weighted-average cost of capital (WACC). There were no significant differences between book value and discounted present value. Thus, long-term payable is recognized at book value.
- iii) The fair values of financial instruments, except for those with active markets, are obtained using valuation techniques or by reference to quoted prices from counterparties. Fair values obtained through valuation techniques may be calculated by reference to the current fair value of other financial instruments with substantially similar terms and characteristics, discounted cash flow techniques, or other valuation techniques, including the use of models with market information available at the consolidated balance sheet date.

b) Derivative financial instruments

Forward exchange contracts were usually estimated by the current forward exchange rates of the transaction banks.

(v) Financial risk management

There were no significant changes in the objectives and policies concerning the financial risks the Group was exposed to. Please refer to note 6(u) of the 2024 consolidated financial statements for related information.

(w) Capital management

The Group manages capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of related parties, and to maintain an optimal capital structure to reduce the cost of capital.

(Continued)

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group and other entities in the same industry use the debt-to-equity ratio to manage capital. This ratio is debt divided by equity. Debt is derived from the total liabilities on the balance sheet. Equity includes share capital, capital surplus, retained earnings, other equity and non-controlling interests.

As at June 30, 2025, the Group's capital management strategy was consistent with the year ended at December 31, 2024. The Group has to maintain the debt-to-equity ratio at a certain level according to the criteria set by creditors. The Group's debt-to-equity ratio as at June 30, 2025, December 31, 2024, and June 30, 2024, was as follows:

|                      | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|----------------------|----------------------|------------------------------|----------------------|
| Net liabilities      | \$ <u>12,997,308</u> | <u>12,656,804</u>            | <u>12,345,087</u>    |
| Total equity         | \$ <u>5,928,792</u>  | <u>6,786,112</u>             | <u>6,172,488</u>     |
| Debt-to-equity ratio | <u>219.22</u> %      | <u>186.51</u> %              | <u>200.00</u> %      |

The quantitative capital management information for APT, a subsidiary of the Company, in the relevant periods are summarized below:

|                      | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|----------------------|----------------------|------------------------------|----------------------|
| Net liabilities      | \$ <u>12,854,625</u> | <u>12,059,316</u>            | <u>12,710,933</u>    |
| Total equity         | \$ <u>7,382,422</u>  | <u>7,968,382</u>             | <u>7,917,443</u>     |
| Debt-to-equity ratio | <u>174.12</u> %      | <u>151.34</u> %              | <u>160.54</u> %      |

Unit: thousands of THB

APT's debt-to-equity ratio has been maintained within the scope of the loan contracts.

(x) Non-cash investing and financing activities

For the six months ended June 30, 2025 and 2024, the Group's non-cash investing and financing activities were derived from the acquisition of right-of-use asset through leasing. Please refer to note 6(i) for related information.

Reconciliation of liabilities from financing activities were as follows:

|                                                | <b>January 1,<br/>2025</b> | <b>Cash flows</b> | <b>Acquisition or<br/>termination of<br/>contracts</b> | <b>Classification</b> | <b>Translation<br/>effect</b> | <b>June 30, 2025</b> |
|------------------------------------------------|----------------------------|-------------------|--------------------------------------------------------|-----------------------|-------------------------------|----------------------|
| Long-term loans                                | \$ 7,242,440               | (44,771)          | -                                                      | -                     | (242,953)                     | 6,954,716            |
| Short-term loans                               | 1,938,954                  | 633,580           | -                                                      | -                     | (92,497)                      | 2,480,037            |
| Lease liabilities                              | 147,940                    | (29,462)          | 8,704                                                  | -                     | (4,800)                       | 122,382              |
| Total liabilities from<br>financing activities | \$ <u>9,329,334</u>        | <u>559,347</u>    | <u>8,704</u>                                           | <u>-</u>              | <u>(340,250)</u>              | <u>9,557,135</u>     |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

|                                                | January 1,<br>2024  | Cash flows     | Non-cash changes                              |                |                       | June 30, 2024    |
|------------------------------------------------|---------------------|----------------|-----------------------------------------------|----------------|-----------------------|------------------|
|                                                |                     |                | Acquisition or<br>termination of<br>contracts | Classification | Translation<br>effect |                  |
| Long-term loans                                | \$ 5,931,525        | 192,331        | -                                             | 100,000        | (94,988)              | 6,128,868        |
| Short-term loans                               | 2,284,359           | 284,384        | -                                             | (100,000)      | (37,035)              | 2,431,708        |
| Lease liabilities                              | 139,423             | (25,983)       | 20,077                                        | -              | (2,215)               | 131,302          |
| Total liabilities from<br>financing activities | <u>\$ 8,355,307</u> | <u>450,732</u> | <u>20,077</u>                                 | <u>-</u>       | <u>(134,238)</u>      | <u>8,691,878</u> |

**(7) Related-party transactions**

- (a) Parent Company and ultimate controlling party

Apex International Co., Ltd. is the ultimate controlling party of the Group.

- (b) Names and relationship with related parties

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

| <u>Name of related party</u> | <u>Relationship with the Group</u> |
|------------------------------|------------------------------------|
| Wang Shu Mu                  | Chairman of the Company            |

- (c) Significant transactions with related parties — Guarantee

For the six months ended June 30, 2025 and 2024, chairman of the Company provided credit guarantees to the Group for short-term and long-term loans.

- (d) Management personnel compensation

Key management personnel compensation comprised:

|                              | For the three months<br>ended June 30 |               | For the six months<br>ended June 30 |               |
|------------------------------|---------------------------------------|---------------|-------------------------------------|---------------|
|                              | 2025                                  | 2024          | 2025                                | 2024          |
| Short-term employee benefits | \$ 10,644                             | 16,165        | 22,501                              | 31,423        |
| Post-employment benefits     | 214                                   | 228           | 163                                 | 457           |
| Other long-term benefits     | 1                                     | 1             | 4                                   | 2             |
|                              | <u>\$ 10,859</u>                      | <u>16,394</u> | <u>22,668</u>                       | <u>31,882</u> |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(8) Pledged assets:**

| <b>Pledged assets</b>           | <b>Object</b>                                                   | <b>June 30,<br/>2025</b> | <b>December<br/>31, 2024</b> | <b>June 30,<br/>2024</b> |
|---------------------------------|-----------------------------------------------------------------|--------------------------|------------------------------|--------------------------|
| Financial assets                |                                                                 |                          |                              |                          |
| measured at                     |                                                                 |                          |                              |                          |
| amortized cost —                |                                                                 |                          |                              |                          |
| current:                        |                                                                 |                          |                              |                          |
| Pledged time deposits           | Long-term loans                                                 | \$ 14,353                | 15,735                       | -                        |
| Other financial assets          |                                                                 |                          |                              |                          |
| — non-current:                  |                                                                 |                          |                              |                          |
| Restricted bank deposits        | Long-term loans and derivative instruments not used for hedging | 44,331                   | 31,983                       | 10,382                   |
| Property, plant, and equipment: |                                                                 |                          |                              |                          |
| Land                            | Long-term and short-term loans                                  | 402                      | 418                          | 385                      |
| Buildings                       | Long-term and short-term loans                                  | 18,273                   | 22,450                       | 24,423                   |
| Machinery and equipment         | Long-term, short-term loans and electricity guarantee           | 1,302,872                | 1,024,029                    | 995,254                  |
|                                 |                                                                 | <u>\$ 1,380,231</u>      | <u>1,094,615</u>             | <u>1,030,444</u>         |

**(9) Significant commitments and contingencies:**

(a) The Group did not recognize the following contract commitments in the financial statements:

|                                              | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|----------------------------------------------|----------------------|------------------------------|----------------------|
| Acquisition of property, plant and equipment | \$ 284,296           | 333,259                      | 467,825              |
| Other long-term commitments                  | 7,730                | 6,580                        | 14,009               |
| Total                                        | <u>\$ 292,026</u>    | <u>339,839</u>               | <u>481,834</u>       |

(b) The Group had outstanding letters of credit as follows:

|                   | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|-------------------|----------------------|------------------------------|----------------------|
| Letters of credit | <u>\$ 45,545</u>     | <u>53,436</u>                | <u>137,113</u>       |

(c) Guarantees provided by banks were as follows:

|                       | <b>June 30, 2025</b> | <b>December 31,<br/>2024</b> | <b>June 30, 2024</b> |
|-----------------------|----------------------|------------------------------|----------------------|
| Electricity guarantee | <u>\$ 127,317</u>    | <u>132,396</u>               | <u>118,874</u>       |

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**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(10) Losses due to major disasters:**None

**(11) Subsequent events:**

The Company's Board of Directors resolved to conduct a cash capital increase on May 9, 2025, and an upper limit on the issuance of common shares was 45,000 thousand shares, the total amount of funds raised and the issuance price were intended to be authorized to the chairman in accordance with the law. On August 6, 2025, the Company obtained approval from the FSC for the registration of a cash capital increase through the issuance of 45,000 thousand common shares at a price of \$10 per share.

**(12) Other:**

(a) A summary of personnel benefit costs, depreciation, depletion and amortization is as follows:

| Function<br><br>Account | For the three months ended June 30 |                    |         |                |                    |         |
|-------------------------|------------------------------------|--------------------|---------|----------------|--------------------|---------|
|                         | 2025                               |                    |         | 2024           |                    |         |
|                         | Operating cost                     | Operating expenses | Total   | Operating cost | Operating expenses | Total   |
| Personnel costs         |                                    |                    |         |                |                    |         |
| Salaries                | 425,456                            | 70,259             | 495,715 | 482,667        | 93,602             | 576,269 |
| Health insurance        | -                                  | 417                | 417     | -              | 400                | 400     |
| Pension                 | 1,450                              | 1,407              | 2,857   | 1,807          | 1,549              | 3,356   |
| Other personnel expense | 42,217                             | 11,838             | 54,055  | 45,658         | 23,266             | 68,924  |
| Depreciation            | 306,324                            | 34,439             | 340,763 | 276,685        | 32,626             | 309,311 |
| Amortization            | 1,221                              | 4,741              | 5,962   | 1,208          | 4,336              | 5,544   |

| Function<br><br>Account | For the six months ended June 30 |                    |           |                |                    |           |
|-------------------------|----------------------------------|--------------------|-----------|----------------|--------------------|-----------|
|                         | 2025                             |                    |           | 2024           |                    |           |
|                         | Operating cost                   | Operating expenses | Total     | Operating cost | Operating expenses | Total     |
| Personnel benefit costs |                                  |                    |           |                |                    |           |
| Salaries                | 884,886                          | 158,248            | 1,043,134 | 890,883        | 182,120            | 1,073,003 |
| Health insurance        | -                                | 834                | 834       | -              | 816                | 816       |
| Pension                 | 2,958                            | 2,848              | 5,806     | 3,615          | 3,100              | 6,715     |
| Other personnel expense | 83,900                           | 25,390             | 109,290   | 86,801         | 46,813             | 133,614   |
| Depreciation            | 616,176                          | 69,236             | 685,412   | 551,479        | 64,650             | 616,129   |
| Amortization            | 2,501                            | 9,321              | 11,822    | 2,339          | 8,687              | 11,026    |

(b) The Group's operations were not affected by seasonality factors.

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APEX INTERNATIONAL CO., LTD.  
Notes to Consolidated Interim Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the six months ended June 30, 2025:

- (i) Loans to other parties: None.
- (ii) Guarantees and endorsements for other parties:

| No. | Name of guarantor | Counter-party of guarantee and endorsement |                                        | Limitation on amount of guarantees and endorsements for a specific enterprise | Highest balance for guarantees and endorsements during the period | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements | Maximum amount for guarantees and endorsements | Parent company endorsements/ guarantees to third parties on behalf of subsidiary | Subsidiary endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|-------------------|--------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
|     |                   | Name                                       | Relationship with the Company (note 1) |                                                                               |                                                                   |                                                             |                                       |                                                           |                                                                                                             |                                                |                                                                                  |                                                                                  |                                                                                    |
| 0   | The Company       | APT                                        | 2                                      | 17,715,036 (Note 2)                                                           | 15,471,307                                                        | 15,471,307                                                  | 9,123,917                             | -                                                         | 262.00 %                                                                                                    | 17,715,036 (Note 3)                            | Y                                                                                | N                                                                                | N                                                                                  |
| 1   | APT               | APS                                        | 4                                      | 590,501 (Note 4)                                                              | 653,271                                                           | 653,271                                                     | 276,602                               | -                                                         | 11.06 %                                                                                                     | 590,501 (Note 5)                               | N                                                                                | N                                                                                | N                                                                                  |

Note 1: Relationships with Guarantors and Obligees

- 1. Companies with business relations.
- 2. Companies in which more than 50% of shares with voting rights are directly or indirectly owned by the Company.
- 3. Companies directly or in directly owning more than 50% of shares with voting rights of the Company.
- 4. Companies in which 90% of shares with voting rights are directly or indirectly owned the Company.
- 5. Companies under reciprocal inter-insurance for constructional contractual purpose.
- 6. Companies guaranteed by all contributed shareholders due to co-investing relationships.
- 7. Companies established to practice escrow and joint, as well as several guarantees for presale homes under the Consumer Protection Act.

Note 2: If it was approved by Board of Directors, the guarantee limit for the guarantee provided to a specific enterprise shall not be applied when the Company directly or indirectly owns more than 90% of the investee's equity. However, the guarantee amount is still limited to 300% of the net worth of the Company's latest financial statements.

Note 3: The overall guarantee amount provided to others shall not exceed 300% of the net worth of the Company's latest financial statements.

Note 4: The total amount of the guarantee provided by APT shall not exceed 50% of its net worth. The amount of the guarantee permitted to any single entity shall not exceed 10% of APT's net worth and 30% of APS's net worth, subject to the limitation of APS's net worth, provided that the total guaranteed amount shall not exceed APS's net worth. However, upon approval by the Board of Directors, if the guaranteed entity is a subsidiary in which APT directly or indirectly holds at least 90% of the voting shares, the guaranteed amount shall not be subject to the aforementioned limitations regarding the net worth of APS or the single entity limit. Nevertheless, the total guaranteed amount shall still be limited to 50% of APT's net worth based on its most recent financial statements. For intercompany guarantees between entities in which the company does not hold 100% of the voting shares directly or indirectly, the total amount of the guarantee shall be limited to 10% of the company's net worth.

(iii) Securities held as of June 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):

| Unit: in thousands of dollars |                                 |                           |                                                                                 |                    |                 |                             |            |      |
|-------------------------------|---------------------------------|---------------------------|---------------------------------------------------------------------------------|--------------------|-----------------|-----------------------------|------------|------|
| Name of holder                | Category and name of security   | Relationship with company | Account title                                                                   | Ending balance     |                 |                             |            | Note |
|                               |                                 |                           |                                                                                 | Shares (thousands) | Carrying amount | Percentage of ownership (%) | Fair value |      |
| The Company                   | Stock: ISU-APEX COMPANY LIMITED | -                         | Financial assets at fair value through other comprehensive income — non-current | 1,530              | 14,077          | 15.00 %                     | 14,077     |      |

- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NTD100 million or 20% of the capital stock: None.
- (v) Receivables from related parties with amounts exceeding the lower of NTD100 million or 20% of the capital stock: None.
- (vi) Business relationships and significant intercompany transactions: There were no significant transactions.



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(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2025:

| Name of investor | Name of investee | Location               | Main businesses and products                        | Original investment amount |                   | Balance as of June 30, 2025 |                         |                                | Net income (losses) of investee (Note 1) | Share of profits/losses of investee (Notes 1 and 2) | Note     |
|------------------|------------------|------------------------|-----------------------------------------------------|----------------------------|-------------------|-----------------------------|-------------------------|--------------------------------|------------------------------------------|-----------------------------------------------------|----------|
|                  |                  |                        |                                                     | June 30, 2025              | December 31, 2024 | Shares (thousands)          | Percentage of ownership | Carrying value (Notes 1 and 2) |                                          |                                                     |          |
| The Company      | APT              | Thailand               | PCB (printed circuit board) manufacturing and sales | 4,944,387                  | 4,944,387         | 174,994                     | 99.65 %                 | 6,768,793                      | (556,316)                                | (554,369)                                           |          |
| The Company      | AET              | British Virgin Islands | Supply chain integration                            | 10,000                     | 10,000            | 1,000                       | 100.00 %                | 5,018                          | (5,329)                                  | (4,691)                                             |          |
| APT              | APS              | Thailand               | PCB (printed circuit board) manufacturing and sales | 277,485                    | 277,485           | 32                          | 99.99 %                 | 176,895                        | (21,942)                                 | (21,940)                                            | (Note 4) |
| APS              | APSS             | Singapore              | PCB sales development                               | 8,195                      | 8,195             | 402                         | 100.00 %                | 15,476                         | (5,581)                                  | (1,578)                                             | (Note 3) |

Note 1: Long-term investment and investment gains and losses have been recognized by the equity method based on the financial statements of the investee companies audited by the Group's auditors.

Note 2: The long-term investment and investment gains or losses have been eliminated in the preparation of the consolidated financial statements.

Note 3: The amount of amortization of premium on investment recognized in this period has been included in share of profits/ losses of investee.

Note 4: It takes into account unrealized and realized gains and losses on intercompany transactions.

(c) Information on investment in China:

(i) The names of investees in China, the main businesses and products, and other information:

| Unit: in thousands of dollars |                              |                                 |                               |                                                                              |                  |                 |                                                                            |                                              |                         |                                            |                            |                                                      |
|-------------------------------|------------------------------|---------------------------------|-------------------------------|------------------------------------------------------------------------------|------------------|-----------------|----------------------------------------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|----------------------------|------------------------------------------------------|
| Name of investee              | Main businesses and products | Total amount of paid-in capital | Method of investment (Note 1) | Accumulated outflow of investment from Taiwan as of January 1, 2025 (Note 4) | Investment flows |                 | Accumulated outflow of investment from Taiwan as of June 30, 2025 (Note 4) | Net income (losses) of the investee (Note 2) | Percentage of ownership | Investment income (losses) (Notes 2 and 3) | Book value (Notes 2 and 3) | Accumulated remittance of earnings in current period |
|                               |                              |                                 |                               |                                                                              | Outflow (Note 4) | Inflow (Note 4) |                                                                            |                                              |                         |                                            |                            |                                                      |
| Apex IPO (Dong Guan) Ltd.     | Supply Chain integration     | 39,848 (RMB9,000)               | 2                             | -                                                                            | -                | -               | -                                                                          | 1,964 (RMB447)                               | 99.65 %                 | 2,421 (RMB551)                             | 27,288 (RMB6,430)          | -                                                    |

Note 1: Investment methods are divided into the following three categories

(1) Direct investment in China.

(2) Indirect investment in China through investment in Thailand (APT).

(3) Other methods.

Note 2: Long-term investment and investment gains and losses have been recognized by using the equity method based on the financial statements of the investee companies audited by the Group's auditors.

Note 3: Long-term investment and investment gains or losses have been eliminated in the preparation of the consolidated financial statements.

Note 4: The Company is not a Taiwan local company, so no investment amount is shown.

Note 5: The book value at end of period were calculated by using the exchange rate on June 30, 2025 (BS exchange rate RMB:TWD=1:4.2439).The net income (loss) of the investee company and investment gains (losses) recognized by the parent company were calculated by the average exchange rate (IS exchange rate RMB:TWD=1:4.3930).

- (ii) Limitation on investment in China: None.
- (iii) Significant transactions in China: None.

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**(14) Segment information:**

The Group's operating segment information and reconciliation are as follows:

| <b>For the three months ended June 30</b> |                     |                 |                                             |                  |
|-------------------------------------------|---------------------|-----------------|---------------------------------------------|------------------|
| <b>2025</b>                               |                     |                 |                                             |                  |
|                                           | <b>Thailand</b>     | <b>Other</b>    | <b>Adjustments<br/>and<br/>eliminations</b> | <b>Total</b>     |
| Revenue                                   |                     |                 |                                             |                  |
| Revenue from external customers           | \$ 2,884,964        | 1,303           | -                                           | 2,886,267        |
| Intersegment revenues                     | 4,941               | 17,754          | (22,695)                                    | -                |
| Total revenue                             | <u>\$ 2,889,905</u> | <u>19,057</u>   | <u>(22,695)</u>                             | <u>2,886,267</u> |
| Reportable segment profit or loss         | <u>\$ (277,699)</u> | <u>(9,295)</u>  | <u>11</u>                                   | <u>(286,983)</u> |
| <b>For the three months ended June 30</b> |                     |                 |                                             |                  |
| <b>2024</b>                               |                     |                 |                                             |                  |
|                                           | <b>Thailand</b>     | <b>Other</b>    | <b>Adjustments<br/>and<br/>eliminations</b> | <b>Total</b>     |
| Revenue                                   |                     |                 |                                             |                  |
| Revenue from external customers           | \$ 3,129,872        | 7,701           | (69)                                        | 3,137,504        |
| Intersegment revenues                     | 10,848              | 95,758          | (106,606)                                   | -                |
| Total revenue                             | <u>\$ 3,140,720</u> | <u>103,459</u>  | <u>(106,675)</u>                            | <u>3,137,504</u> |
| Reportable segment profit or loss         | <u>\$ (323,660)</u> | <u>(14,208)</u> | <u>(3,494)</u>                              | <u>(341,362)</u> |
| <b>For the six months ended June 30</b>   |                     |                 |                                             |                  |
| <b>2025</b>                               |                     |                 |                                             |                  |
|                                           | <b>Thailand</b>     | <b>Other</b>    | <b>Adjustments<br/>and<br/>eliminations</b> | <b>Total</b>     |
| Revenue                                   |                     |                 |                                             |                  |
| Revenue from external customers           | \$ 6,019,240        | 3,752           | -                                           | 6,022,992        |
| Intersegment revenues                     | 8,833               | 39,654          | (48,487)                                    | -                |
| Total revenue                             | <u>\$ 6,028,073</u> | <u>43,406</u>   | <u>(48,487)</u>                             | <u>6,022,992</u> |
| Reportable segment profit or loss         | <u>\$ (553,349)</u> | <u>(29,696)</u> | <u>1,287</u>                                | <u>(581,758)</u> |

(Continued)

**APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

| <b>For the six months ended June 30</b> |                            |                        |                                             |                         |
|-----------------------------------------|----------------------------|------------------------|---------------------------------------------|-------------------------|
| <b>2024</b>                             |                            |                        |                                             |                         |
|                                         | <b>Thailand</b>            | <b>Other</b>           | <b>Adjustments<br/>and<br/>eliminations</b> | <b>Total</b>            |
| Revenue                                 |                            |                        |                                             |                         |
| Revenue from external customers         | \$ 5,938,090               | 14,338                 | (69)                                        | 5,952,359               |
| Intersegment revenues                   | <u>18,985</u>              | <u>149,228</u>         | <u>(168,213)</u>                            | <u>-</u>                |
| Total revenue                           | <u><b>\$ 5,957,075</b></u> | <u><b>163,566</b></u>  | <u><b>(168,282)</b></u>                     | <u><b>5,952,359</b></u> |
| Reportable segment profit or loss       | <u><b>\$ (589,189)</b></u> | <u><b>(31,998)</b></u> | <u><b>(5,280)</b></u>                       | <u><b>(626,467)</b></u> |

For the three months and six months ended June 30, 2025 and 2024, the adjustments and eliminations of the intersegment net profit (loss) to the reportable segment profit (loss) were \$11 thousand, \$(3,494) thousand, \$1,287 thousand and \$(5,280) thousand, respectively.