

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

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024**

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

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Independent Auditors' Review Report

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

Introduction

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

Scope of Review

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

Conclusion

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



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

KPMG

Taipei, Taiwan (Republic of China)

November 3, 2025

Notes to Readers

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

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

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

APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollar)

		September 30, 2025		December 31, 2024		September 30, 2024				September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
11xx	Assets							21xx	Liabilities and Equity						
11xx	Current assets:							21xx	Current liabilities:						
1100	Cash and cash equivalents (notes 6(a) and 8)	\$ 565,726	3	530,763	3	672,663	3	2100	Short-term loans (notes 6(h), (k), 7, 8 and 9)	\$ 2,530,204	13	1,938,954	10	2,378,372	12
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)	988	-	2,219	-	118	-		loss— current (notes 6(a), (b) and 8)	1,977	-	1,077	-	10,074	-
1136	Financial assets measured at amortized cost							2170	Accounts payable	2,373,967	13	2,140,236	11	2,763,243	13
	(notes 6(d), (l) and 8)	15,844	-	30,087	-	14,729	-	2200	Other payables	403,659	2	458,908	2	562,113	3
1150	Notes receivable, net (notes 6(e) and (r))	627	-	3,559	-	3,376	-	2213	Payable for machinery and equipment	286,873	2	580,171	3	586,061	3
1170	Accounts receivable, net (notes 6(e) and (r))	3,388,813	18	3,399,513	17	3,330,029	16	2280	Current lease liabilities (notes 6(i) and (m))	45,068	-	56,223	-	52,488	-
1200	Other receivables (note 6(f))	180,907	1	125,132	1	159,819	1	2322	Long-term loans, current portion (notes 6(a), (d),						
1220	Current income tax assets	62	-	61	-	-	-		(h), (l), 7 and 8)	3,049,039	16	5,970,435	31	2,601,370	12
130x	Inventories (note 6(g))	2,377,250	13	2,138,595	11	2,797,018	14	2399	Other current liabilities	15,515	-	45,789	-	33,948	-
1470	Other current assets	51,050	-	63,580	-	75,444	-		Total current liabilities	8,706,302	46	11,191,793	57	8,987,669	43
	Total current assets	6,581,267	35	6,293,509	32	7,053,196	34	25xx	Non-Current liabilities:						
15xx	Non-current assets:							2540	Long-term loans (notes 6(a), (d), (h), (l), 7 and 8)	3,495,419	19	1,272,005	7	5,085,712	25
1517	Financial assets at fair value through other							2570	Deferred tax liabilities	41,340	-	41,964	-	44,079	-
	comprehensive income— non-current (note							2580	Non-current lease liabilities (notes 6(i) and (m))	58,371	-	91,717	1	78,729	-
	6(c))	14,414	-	-	-	-	-	2612	Long-term payable	11,684	-	6,167	-	7,685	-
1600	Property, plant and equipment (notes 6(h), (j), (k),							2670	Other non-current liabilities (note 6(n))	65,381	-	53,158	-	87,464	1
	(l), 8 and 9)	11,767,610	62	12,616,921	65	13,128,278	63		Total non-current liabilities	3,672,195	19	1,465,011	8	5,303,669	26
1755	Right-of-use assets (notes 6(i) and (m))	99,527	1	143,450	1	126,783	1	2xxx	Total liabilities	12,378,497	65	12,656,804	65	14,291,338	69
1780	Intangible assets (notes 6(h) and (j))	192,134	1	187,781	1	198,317	1	31xx	Equity attributable to owners of the Company						
1840	Deferred tax assets	46,954	-	47,687	-	43,494	-		(note 6(p)):						
1915	Prepayments for equipment (note 6(h))	98,295	1	113,770	1	119,143	1	3110	Common stock	2,649,380	14	2,199,380	11	1,899,380	9
1920	Refundable deposits	7,038	-	7,815	-	7,907	-	3200	Capital surplus	3,746,477	21	3,299,784	17	2,405,304	12
1980	Other financial assest— non-current (notes 6(a),							3300	Retained earnings	240,823	1	1,329,435	7	1,957,554	9
	(b), (l) and 8)	46,657	-	31,983	-	26,606	-	3410	Exchange differences on translation of foreign						
	Total non-current assets	12,272,629	65	13,149,407	68	13,650,528	66		financial statements	(183,645)	(1)	(69,180)	-	121,182	1
									Total equity attributable to owners of the Company	6,453,035	35	6,759,419	35	6,383,420	31
								36xx	Non-controlling interests	22,364	-	26,693	-	28,966	-
								3xxx	Total equity	6,475,399	35	6,786,112	35	6,412,386	31
1xxx	Total assets	\$ 18,853,896	100	19,442,916	100	20,703,724	100	2-3xxx	Total liabilities and equity	\$ 18,853,896	100	19,442,916	100	20,703,724	100

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 nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollar, except for Earnings per Common Share)

		For the three months ended September 30				For the nine months ended September 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (note 6(r))	\$ 2,913,421	100	3,426,127	100	8,936,413	100	9,378,486	100
5000	Operating costs (notes 6(g), (h), (i), (j), (m), (n) and 12)	<u>2,979,557</u>	<u>102</u>	<u>3,413,083</u>	<u>100</u>	<u>8,728,630</u>	<u>98</u>	<u>9,060,870</u>	<u>97</u>
5900	Gross profit from operations	<u>(66,136)</u>	<u>(2)</u>	<u>13,044</u>	<u>-</u>	<u>207,783</u>	<u>2</u>	<u>317,616</u>	<u>3</u>
6000	Operating expenses (notes 6(e), (h), (i), (j), (m), (n), 7 and 12):								
6188	Selling expenses	168,831	6	215,989	6	507,391	6	611,185	7
6200	Administrative expenses	190,118	7	237,951	6	573,962	6	656,735	7
6300	Research and development expenses	12,605	-	21,817	1	28,817	-	57,122	-
6450	Expected credit loss (reversal of expected credit loss)	<u>(180)</u>	<u>-</u>	<u>(3,597)</u>	<u>-</u>	<u>(1,680)</u>	<u>-</u>	<u>(8,876)</u>	<u>-</u>
	Total operating expenses	<u>371,374</u>	<u>13</u>	<u>472,160</u>	<u>13</u>	<u>1,108,490</u>	<u>12</u>	<u>1,316,166</u>	<u>14</u>
6900	Operating loss	<u>(437,510)</u>	<u>(15)</u>	<u>(459,116)</u>	<u>(13)</u>	<u>(900,707)</u>	<u>(10)</u>	<u>(998,550)</u>	<u>(11)</u>
7000	Non-operating income and expenses (notes 6(b), (h), (m) and (t)):								
7100	Interest income	284	-	178	-	1,636	-	1,372	-
7010	Other income	7,895	-	19,081	1	31,348	-	61,810	1
7020	Other gains and losses	15,961	1	16,993	-	51,500	1	28,502	-
7050	Finance costs	<u>(96,877)</u>	<u>(4)</u>	<u>(89,970)</u>	<u>(3)</u>	<u>(275,782)</u>	<u>(3)</u>	<u>(232,435)</u>	<u>(2)</u>
	Total non-operating income and expenses	<u>(72,737)</u>	<u>(3)</u>	<u>(53,718)</u>	<u>(2)</u>	<u>(191,298)</u>	<u>(2)</u>	<u>(140,751)</u>	<u>(1)</u>
7900	Loss from continuing operations before tax	(510,247)	(18)	(512,834)	(15)	(1,092,005)	(12)	(1,139,301)	(12)
7951	Less: Income tax expenses (income) (note 6(o))	<u>(97)</u>	<u>-</u>	<u>9</u>	<u>-</u>	<u>199</u>	<u>-</u>	<u>978</u>	<u>-</u>
8200	Net loss	<u>(510,150)</u>	<u>(18)</u>	<u>(512,843)</u>	<u>(15)</u>	<u>(1,092,204)</u>	<u>(12)</u>	<u>(1,140,279)</u>	<u>(12)</u>
8300	Other comprehensive income (loss):								
8360	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	160,378	6	752,741	22	(114,888)	(1)	617,751	7
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	Other comprehensive income	<u>160,378</u>	<u>6</u>	<u>752,741</u>	<u>22</u>	<u>(114,888)</u>	<u>(1)</u>	<u>617,751</u>	<u>7</u>
8500	Total comprehensive loss	<u>\$ (349,772)</u>	<u>(12)</u>	<u>239,898</u>	<u>7</u>	<u>(1,207,092)</u>	<u>(13)</u>	<u>(522,528)</u>	<u>(5)</u>
	Loss attributable to:								
8610	Owners of the Company	\$ (508,507)	(18)	(510,860)	(15)	(1,088,612)	(12)	(1,135,897)	(12)
8620	Non-controlling interests	<u>(1,643)</u>	<u>-</u>	<u>(1,983)</u>	<u>-</u>	<u>(3,592)</u>	<u>-</u>	<u>(4,382)</u>	<u>-</u>
		<u>\$ (510,150)</u>	<u>(18)</u>	<u>(512,843)</u>	<u>(15)</u>	<u>(1,092,204)</u>	<u>(12)</u>	<u>(1,140,279)</u>	<u>(12)</u>
	Comprehensive loss attributable to:								
8710	Owners of the Company	\$ (348,670)	(12)	238,869	7	(1,203,077)	(13)	(520,618)	(5)
8720	Non-controlling interests	<u>(1,102)</u>	<u>-</u>	<u>1,029</u>	<u>-</u>	<u>(4,015)</u>	<u>-</u>	<u>(1,910)</u>	<u>-</u>
		<u>\$ (349,772)</u>	<u>(12)</u>	<u>239,898</u>	<u>7</u>	<u>(1,207,092)</u>	<u>(13)</u>	<u>(522,528)</u>	<u>(5)</u>
	Deficits per share (expressed in New Taiwan dollars) (note 6(q))								
9750	Basic deficits per share	<u>\$ (2.24)</u>		<u>(2.69)</u>		<u>(4.90)</u>		<u>(5.98)</u>	
9850	Diluted deficits per share	<u>\$ (2.24)</u>		<u>(2.69)</u>		<u>(4.90)</u>		<u>(5.98)</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 nine months ended September 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 Unappropriated retained earnings (deficit yet to be compensated)	Total				
Balance at January 1, 2024	\$ 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	-	-	-	(1,135,897)	(1,135,897)	-	(1,135,897)	(4,382)	(1,140,279)
Other comprehensive loss	-	-	-	-	-	615,279	615,279	2,472	617,751
Total comprehensive loss	-	-	-	(1,135,897)	(1,135,897)	615,279	(520,618)	(1,910)	(522,528)
Balance at September 30, 2024	<u>\$ 1,899,380</u>	<u>2,405,304</u>	<u>1,048,969</u>	<u>908,585</u>	<u>1,957,554</u>	<u>121,182</u>	<u>6,383,420</u>	<u>28,966</u>	<u>6,412,386</u>
Balance at January 1, 2025	\$ 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	-	-	-	(1,088,612)	(1,088,612)	-	(1,088,612)	(3,592)	(1,092,204)
Other comprehensive loss	-	-	-	-	-	(114,465)	(114,465)	(423)	(114,888)
Total comprehensive loss	-	-	-	(1,088,612)	(1,088,612)	(114,465)	(1,203,077)	(4,015)	(1,207,092)
Issue of shares	450,000	446,379	-	-	-	-	896,379	-	896,379
Changes in ownership interests in subsidiaries	-	314	-	-	-	-	314	(314)	-
Balance at September 30, 2025	<u>\$ 2,649,380</u>	<u>3,746,477</u>	<u>1,048,969</u>	<u>(808,146)</u>	<u>240,823</u>	<u>(183,645)</u>	<u>6,453,035</u>	<u>22,364</u>	<u>6,475,399</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 nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar)**

	For the nine months ended September 30	
	2025	2024
Cash flows from (used in) operating activities:		
Loss before tax	\$ (1,092,005)	(1,139,301)
Adjustments:		
Adjustments to reconcile loss:		
Depreciation expense	1,022,325	946,623
Amortization expense	18,098	16,922
Reversal of expected credit loss	(1,680)	(8,876)
Interest expense	275,782	232,435
Interest income	(1,636)	(1,372)
Loss (gain) on disposal of property, plant and equipment	(6,362)	925
Loss on disposal of intangible assets	2	-
Valuation losses on financial assets or liabilities, net	45,872	57,919
Loss of impairment on non-financial assets	12,717	12,115
Gain on lease modification	(790)	-
Total adjustments to reconcile profit or loss	1,364,328	1,256,691
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	(207)	(1,253)
Notes receivable	2,932	(1,854)
Accounts receivable	13,523	(325,888)
Other receivables	(55,775)	(55,792)
Inventories	(238,655)	(565,253)
Other current assets	12,530	(12,413)
Total changes in operating assets	(265,652)	(962,453)
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	(43,551)	(25,651)
Accounts payable	233,731	851,378
Other payables	(54,592)	63,493
Other current liabilities	(30,274)	(3,562)
Other non-current liabilities	12,223	20,635
Total changes in operating liabilities	117,537	906,293
Total changes in operating assets and liabilities	(148,115)	(56,160)
Total adjustments	1,216,213	1,200,531
Cash inflow generated from operations	124,208	61,230
Interest received	1,636	1,372
Interest paid	(276,439)	(228,498)
Income taxes paid	(181)	(1,212)
Net cash flows from operating activities	(150,776)	(167,108)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(14,414)	-
Acquisition of financial assets at amortized cost	-	(14,729)
Proceeds from disposal of financial assets at amortised cost	14,130	-
Acquisition of property, plant and equipment	(538,372)	(788,187)
Proceeds from disposal of property, plant and equipment	7,642	-
Decrease in refundable deposits	777	210
Acquisition of intangible assets	(15,827)	(3,984)
Increase in other financial assets—non-current	(14,674)	(16,768)
Increase in prepayments for equipment	(88,683)	(260,097)
Net cash flows used in investing activities	(649,421)	(1,083,555)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	620,709	(8,235)
Proceeds from long-term loans	2,135,160	2,904,693
Repayments of long-term loans	(2,734,910)	(1,831,968)
Payment of lease liabilities	(37,250)	(39,901)
Proceeds from issuing share	896,379	-
Net cash flows used in financing activities	880,088	1,024,589
Effect of exchange rate changes on cash and cash equivalents	(44,928)	256,808
Net increase in cash and cash equivalents	34,963	30,734
Cash and cash equivalents at beginning of period	530,763	641,929
Cash and cash equivalents at end of period	\$ 565,726	672,663

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

September 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 November 3, 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

(Continued)

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

- Annual Improvements to IFRS Accounting Standards—Volume 11
 - 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:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	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. • 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. • 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.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	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.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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” and amendments to 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.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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(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.

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

Name of investor	Name of subsidiary	Business activities	Percentage of ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Apex Circuit (Thailand) Co., Ltd. (APT)	PCB manufacturing and sales	99.69 %	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 August 15, 2025 and October 14, 2024. APT plans to issue 20,000 thousand shares and 238,000 thousand shares at THB 40 and 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 September 18, 2025 and November 8, 2024. APT completed the registration of new shares with the local government on September 22, 2025 and 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.

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

(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.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Cash	\$ 1,393	1,498	1,563
Demand deposits	563,924	526,160	658,296
Checking deposits	409	850	10,502
Time deposits	<u>-</u>	<u>2,255</u>	<u>2,302</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u><u>\$ 565,726</u></u>	<u><u>530,763</u></u>	<u><u>672,663</u></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:

	September 30, 2025	December 31, 2024	September 30, 2024
Restricted bank deposit	<u><u>\$ 46,657</u></u>	<u><u>31,983</u></u>	<u><u>26,606</u></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 °

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

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

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Financial assets held-for-trading:			
Derivative instruments not used for hedging			
Forward exchange contracts	\$ <u>988</u>	<u>2,219</u>	<u>118</u>

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Financial liabilities held-for-trading:			
Derivative instruments not used for hedging			
Forward exchange contracts	\$ <u>1,977</u>	<u>1,077</u>	<u>10,074</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 September 30, 2025, December 31, 2024, and September 30, 2024.

Forward exchange contracts:

<u>September 30, 2025</u>					Fair value of assets (liabilities)
	<u>Amount (in thousands)</u>	<u>Currency</u>	<u>Maturity dates</u>		
Forward exchange purchased	USD 5,000	USD to THB	2026.1.5 ~2026.3.25	\$	<u>988</u>
Forward exchange purchased	USD 14,000	USD to THB	2025.12.4~ 2026.4.2	\$	(1,714)
Forward exchange purchased	CNY 5,000	CNY to THB	2025.11.28~ 2026.3.31		(263)
Total				\$	<u>(1,977)</u>

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

December 31, 2024					
	Amount (in thousands)	Currency	Maturity dates		Fair value of assets (liabilities)
Forward exchange purchased	USD 7,000	USD to THB	2025.4.30 ~2025.5.2	\$	<u><u>2,219</u></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~ 2025.6.23		(538)
Total				\$	<u><u>(1,077)</u></u>

September 30, 2024					
	Amount (in thousands)	Currency	Maturity dates		Fair value of assets (liabilities)
Forward exchange purchased	USD 4,000	USD to THB	2025.4.2	\$	<u><u>118</u></u>
Forward exchange purchased	CNY 6,000	CNY to THB	2024.12.12~ 2025.3.11	\$	(2,252)
Forward exchange purchased	USD 8,500	USD to THB	2025.3.17~ 2025.3.25		(7,822)
Total				\$	<u><u>(10,074)</u></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

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through other comprehensive income :			
Unlisted common shares	\$ <u><u>14,414</u></u>	<u><u>-</u></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 in the nine months ended September 30 , 2025..

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

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

(d) Financial assets measured at amortized cost

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Time deposits with original maturity over three months	\$ -	14,352	14,729
Pledged time deposits	<u>15,844</u>	<u>15,735</u>	<u>-</u>
Total	<u>\$ 15,844</u>	<u>30,087</u>	<u>14,729</u>
Interest rate range (%)	<u>4.09</u>	<u>1.20~4.91</u>	<u>1.20</u>
Maturity date	<u>2025.10.23</u>	<u>2025.1.23~2025.4.29</u>	<u>2025.4.29</u>

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes receivable	\$ 627	3,559	3,376
Accounts receivable	3,460,388	3,473,911	3,381,174
Less: allowance for bad debt	<u>(71,575)</u>	<u>(74,398)</u>	<u>(51,145)</u>
	<u>\$ 3,389,440</u>	<u>3,403,072</u>	<u>3,333,405</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.

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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 accounts receivable in the regions of Taiwan and Mainland China were as follows:

	September 30, 2025		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 273,205	0.55	1,495
Past due 1~30 days	64,062	2.28	1,458
Past due 31~60 days	15,607	3.30	515
Past due 61~90 days	3,294	26.08	859
Past due 91~120 days	525	59.05	310
	\$ 356,693		4,637
	December 31, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
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
	\$ 413,924		4,905
	September 30, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 304,838	0.50	1,539
Past due 1~30 days	35,617	2.29	816
Past due 31~60 days	6,964	3.33	232
Past due 61~90 days	45	26.67	12
Past due 91~120 days	693	54.40	377
Past due 121~180 days	19	84.21	16
	\$ 348,176		2,992

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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 accounts receivable in the regions of Japan and Korea were as follows:

	September 30, 2025		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 242,048	-	-
Past due 1~30 days	80,371	-	-
Past due 31~60 days	36,248	-	-
Past due 61~90 days	1,811	-	-
Past due 91~120 days	57	-	-
Past due 121~180 days	53	-	-
	\$ 360,588		-

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.

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

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.

	September 30, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 214,633	-	-
Past due 1~30 days	73,735	-	-
Past due 31~60 days	4,363	-	-
Past due 61~90 days	5,748	-	-
Past due 91~120 days	1,612	-	-
	\$ 300,091		-

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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 accounts receivable in the region of India were as follows:

September 30, 2025			
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Past due over 180 days	\$ <u>1,942</u>	100.00	<u>1,942</u>
December 31, 2024			
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Past due over 180 days	\$ <u>2,076</u>	100.00	<u>2,076</u>
September 30, 2024			
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Past due over 180 days	\$ <u>2,023</u>	100.00	<u>2,023</u>

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

September 30, 2025			
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 1,636,283	0.05	783
Past due 1~30 days	200,008	0.63	1,265
Past due 31~60 days	16,838	10.70	1,801
Past due 61~90 days	800	28.63	229
Past due over 180 days	<u>39</u>	100.00	<u>39</u>
	<u>\$ 1,853,968</u>		<u>4,117</u>

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 \$56,206 thousand.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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	December 31, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
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	<u>1,675</u>	42.18	<u>706</u>
	<u>\$ 1,916,186</u>		<u>1,230</u>

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.

	September 30, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 1,750,949	-	-
Past due 1~30 days	180,151	-	-
Past due 31~60 days	4,341	-	-
Past due 61~90 days	<u>8,043</u>	-	<u>-</u>
	<u>\$ 1,943,484</u>		<u>-</u>

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 \$39,627 thousand.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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The Group's analyses of the expected credit loss on its accounts receivable in the Western region (Europe and America) were as follows:

	September 30, 2025		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 718,680	0.12	858
Past due 1~30 days	102,384	0.88	902
Past due 31~60 days	3,289	10.43	343
Past due 61~90 days	3,415	28.43	971
Past due 91~120 days	3,824	41.34	1,581
Past due 121~180 days	17	52.94	9
	<u><u>\$ 831,609</u></u>		<u><u>4,664</u></u>
	December 31, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
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
	<u><u>\$ 783,904</u></u>		<u><u>6,087</u></u>
	September 30, 2024		
	Gross carrying amount	Weighted average loss rate (%)	Loss allowance provision
Not yet due	\$ 659,631	0.18	1,194
Past due 1~30 days	59,184	0.64	377
Past due 31~60 days	12,953	1.82	236
Past due 61~90 days	644	2.80	18
Past due 121~180 days	15,978	12.01	1,919
Past due over 180 days	2,759	100.00	2,759
	<u><u>\$ 751,149</u></u>		<u><u>6,503</u></u>

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

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

	For the nine months ended September 30	
	2025	2024
Balance at the beginning	\$ 74,398	55,644
Gain on reversal of impairment	(1,680)	(8,876)
Foreign exchange gains	(1,143)	4,377
Balance at the ending	<u><u>\$ 71,575</u></u>	<u><u>51,145</u></u>

(f) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Other receivables	<u><u>\$ 180,907</u></u>	<u><u>125,132</u></u>	<u><u>159,819</u></u>

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

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

(g) Inventories

	September 30, 2025		
	Cost	Allowance for loss	Net realizable value
Raw materials	\$ 960,453	(148,584)	811,869
Work in process	467,969	(43,544)	424,425
Finished goods	787,556	(154,682)	632,874
Supplies and spare parts	524,783	(78,313)	446,470
Goods in transit	58,453	-	58,453
Merchandise inventory	3,159	-	3,159
Total	<u><u>\$ 2,802,373</u></u>	<u><u>(425,123)</u></u>	<u><u>2,377,250</u></u>

	December 31, 2024		
	Cost	Allowance for loss	Net realizable value
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
Total	<u><u>\$ 2,486,910</u></u>	<u><u>(348,315)</u></u>	<u><u>2,138,595</u></u>

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

	September 30, 2024		
	Cost	Allowance for loss	Net realizable value
Raw materials	\$ 859,243	(121,045)	738,198
Work in process	537,216	(56,948)	480,268
Finished goods	1,024,095	(276,472)	747,623
Supplies and spare parts	823,957	(64,173)	759,784
Goods in transit	60,299	-	60,299
Merchandise inventory	10,846	-	10,846
Total	<u><u>\$ 3,315,656</u></u>	<u><u>(518,638)</u></u>	<u><u>2,797,018</u></u>

For the nine months ended September 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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Allowance for inventory valuation and obsolescence losses	\$ 63,065	30,524	82,150	87,793
Revenue from sale of scrap	(136,750)	(129,332)	(391,516)	(353,393)
Loss on inventory write-off	2,396	147,569	32,968	332,995
Testing cost	20	3,426	1,851	14,970
Idle cost	66,925	46,298	165,541	171,780
Unallocated manufacturing expense	214,903	214,480	560,568	596,503
	<u><u>\$ 210,559</u></u>	<u><u>312,965</u></u>	<u><u>451,562</u></u>	<u><u>850,648</u></u>

As of September 30, 2025, December 31, 2024, and September 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 nine months ended September 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		-	-	66,259	63,039	357	14,646	-	106,290	250,591
Disposals		-	-	-	(142,039)	-	(7,339)	-	-	(149,378)
Reclassification (notes 1 and 2)		-	-	213,545	825,810	-	55,284	-	(1,001,820)	92,819
Translation effect		(15,554)	(221)	(79,467)	(205,961)	(326)	(13,876)	(357)	(24,528)	(340,290)
Balance at September 30, 2025	\$	<u>996,871</u>	<u>14,172</u>	<u>5,374,621</u>	<u>13,951,719</u>	<u>21,163</u>	<u>952,654</u>	<u>23,659</u>	<u>670,203</u>	<u>22,005,062</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		230,848	-	27,169	85,856	-	23,433	-	766,600	1,133,906
Disposals		-	-	-	(11,165)	(1,159)	(4,382)	(2,001)	-	(18,707)
Reclassification (notes 1 and 2)		13	-	49,294	185,062	-	4,416	-	75,813	314,598
Translation effect		89,093	1,265	454,062	1,196,155	2,111	78,684	1,938	128,782	1,952,090
Balance at September 30, 2024	\$	<u>1,038,985</u>	<u>14,770</u>	<u>5,300,959</u>	<u>13,964,221</u>	<u>24,675</u>	<u>921,494</u>	<u>24,598</u>	<u>1,499,199</u>	<u>22,788,901</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		-	1,083	208,757	690,497	665	81,807	1,990	-	984,799
Impairment loss		-	-	-	12,717	-	-	-	-	12,717
Disposals		-	-	-	(141,263)	-	(6,835)	-	-	(148,098)
Translation effect		-	(169)	(27,335)	(108,585)	(304)	(9,658)	(314)	-	(146,365)
Balance at September 30, 2025	\$	<u>-</u>	<u>11,953</u>	<u>2,056,759</u>	<u>7,430,124</u>	<u>20,139</u>	<u>695,542</u>	<u>22,935</u>	<u>-</u>	<u>10,237,452</u>
Balance at January 1, 2024	\$	-	8,859	1,477,853	5,904,862	21,483	500,351	18,951	-	7,932,359
Depreciation		-	1,148	190,448	640,124	729	71,922	2,084	-	906,455
Impairment loss		-	-	-	12,115	-	-	-	-	12,115
Disposals		-	-	-	(10,870)	(1,159)	(4,111)	(1,642)	-	(17,782)
Translation effect		-	937	156,368	613,521	1,971	53,047	1,632	-	827,476
Balance at September 30, 2024	\$	<u>-</u>	<u>10,944</u>	<u>1,824,669</u>	<u>7,159,752</u>	<u>23,024</u>	<u>621,209</u>	<u>21,025</u>	<u>-</u>	<u>9,660,623</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 September 30, 2025	\$	<u>996,871</u>	<u>2,219</u>	<u>3,317,862</u>	<u>6,521,595</u>	<u>1,024</u>	<u>257,112</u>	<u>724</u>	<u>670,203</u>	<u>11,767,610</u>
Balance at September 30, 2024	\$	<u>1,038,985</u>	<u>3,826</u>	<u>3,476,290</u>	<u>6,804,469</u>	<u>1,651</u>	<u>300,285</u>	<u>3,573</u>	<u>1,499,199</u>	<u>13,128,278</u>

- Note 1: The cost of \$102,409 thousand and \$315,330 thousand, respectively, were reclassified from prepayment for equipment for the nine months ended September 30, 2025 and 2024.
- Note 2: The cost of \$9,590 thousand and \$732 thousand, respectively, were reclassified from equipment undergoing acceptance testing of property, plant and equipment to intangible assets for the nine months ended September 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 September 30, 2025, December 31, 2024, and September 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 September 30, 2025, December 31, 2024, and September 30, 2024 was 12.50%, 12.90% and 13.00%.
- (iii) As of September 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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Loss of impairment	\$ <u>4,169</u>	<u>4,176</u>	<u>12,717</u>	<u>12,115</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:

	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Total</u>
Cost:					
Balance at January 1, 2025	\$ 214,352	128,765	83,190	1,425	427,732
Additions	-	6,404	8,564	-	14,968
Disposals (contract expired and early termination of contract)	(41,367)	-	-	-	(41,367)
Translation effect	(2,964)	(1,977)	(1,285)	(22)	(6,248)
Balance at September 30, 2025	<u>\$ 170,021</u>	<u>133,192</u>	<u>90,469</u>	<u>1,403</u>	<u>395,085</u>
Balance at January 1, 2024	\$ 173,658	107,588	69,342	1,337	351,925
Additions	7,969	12,502	677	-	21,148
Translation effect	14,616	11,255	6,548	125	32,544
Balance at September 30, 2024	<u>\$ 196,243</u>	<u>131,345</u>	<u>76,567</u>	<u>1,462</u>	<u>405,617</u>
Accumulated depreciation and impairment losses:					
Balance at January 1, 2025	\$ 131,018	89,075	62,815	1,374	284,282
Depreciation	17,159	12,556	7,761	50	37,526
Disposals (contract expired and early termination of contract)	(22,117)	-	-	-	(22,117)
Translation effect	(1,773)	(1,367)	(972)	(21)	(4,133)
Balance at September 30, 2025	<u>\$ 124,287</u>	<u>100,264</u>	<u>69,604</u>	<u>1,403</u>	<u>295,558</u>
Balance at January 1, 2024	\$ 99,543	67,309	48,168	1,289	216,309
Depreciation	19,685	12,062	8,421	-	40,168
Translation effect	9,501	7,442	5,293	121	22,357
Balance at September 30, 2024	<u>\$ 128,729</u>	<u>86,813</u>	<u>61,882</u>	<u>1,410</u>	<u>278,834</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 September 30, 2025	<u>\$ 45,734</u>	<u>32,928</u>	<u>20,865</u>	<u>-</u>	<u>99,527</u>
Balance at September 30, 2024	<u>\$ 67,514</u>	<u>44,532</u>	<u>14,685</u>	<u>52</u>	<u>126,783</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 nine months ended September 30, 2025 and 2024, were as follows:

	<u>Goodwill</u>	<u>Operating procedure</u>	<u>Customer 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	-	-	-	15,827	15,827
Disposal	-	-	-	(16,676)	(16,676)
Reclassification from property, plant and equipment	-	-	-	9,590	9,590
Translation effect	(1,840)	(48)	(630)	(3,178)	(5,696)
Balance at September 30, 2025	<u>\$ 117,928</u>	<u>3,079</u>	<u>40,369</u>	<u>207,165</u>	<u>368,541</u>
Balance at January 1, 2024	\$ 112,383	2,934	38,471	184,099	337,887
Addition	-	-	-	3,984	3,984
Reclassification from property, plant and equipment	-	-	-	732	732
Translation effect	10,527	275	3,603	17,479	31,884
Balance at September 30, 2024	<u>\$ 122,910</u>	<u>3,209</u>	<u>42,074</u>	<u>206,294</u>	<u>374,487</u>
Amortization and impairment losses:					
Balance at January 1, 2025	\$ -	3,127	20,500	154,088	177,715
Amortization	-	-	3,027	15,071	18,098
Disposals	-	-	-	(16,674)	(16,674)
Translation effect	-	(48)	(315)	(2,369)	(2,732)
Balance at September 30, 2025	<u>\$ -</u>	<u>3,079</u>	<u>23,212</u>	<u>150,116</u>	<u>176,407</u>
Balance at January 1, 2024	\$ -	2,347	15,388	126,499	144,234
Amortization	-	440	2,884	13,598	16,922
Translation effect	-	261	1,714	13,039	15,014
Balance at September 30, 2024	<u>\$ -</u>	<u>3,048</u>	<u>19,986</u>	<u>153,136</u>	<u>176,170</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 September 30, 2025	<u>\$ 117,928</u>	<u>-</u>	<u>17,157</u>	<u>57,049</u>	<u>192,134</u>
Balance at September 30, 2024	<u>\$ 122,910</u>	<u>161</u>	<u>22,088</u>	<u>53,158</u>	<u>198,317</u>

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

(k) Short-term loans

	September 30, 2025	December 31, 2024	September 30, 2024
Secured loans	\$ 998,960	133,952	88,371
Unsecured loans	1,531,244	1,805,002	2,290,001
Total	<u>\$ 2,530,204</u>	<u>1,938,954</u>	<u>2,378,372</u>
Unused credit line	<u>\$ 738,977</u>	<u>1,304,298</u>	<u>1,111,752</u>
Interest rate (%)	<u>1.96~5.71</u>	<u>2.22~5.95</u>	<u>2.22~4.70</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:

	September 30, 2025	December 31, 2024	September 30, 2024
Secured loans	\$ 556,291	375,334	443,927
Unsecured loans	5,990,270	6,870,803	7,246,785
Less: deferred financing fee	(2,103)	(3,697)	(3,630)
Subtotal	6,544,458	7,242,440	7,687,082
Less: current portion	(3,049,039)	(5,970,435)	(2,601,370)
Total	<u>\$ 3,495,419</u>	<u>1,272,005</u>	<u>5,085,712</u>
Unused credit line	<u>\$ 1,317,413</u>	<u>3,894,907</u>	<u>4,156,027</u>
Interest rate (%)	<u>2.24~5.67</u>	<u>2.24~6.41</u>	<u>2.24~6.30</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 nine months ended September 30, 2025 and 2024 were \$2,135,160 thousand and \$2,904,693 thousand, with the interest rates ranging from 2.24% to 5.67% and 2.34% to 6.30%, and repayment maturities ranging from July 2025 to June 2029 and from July 2024 to June 2029, as well as repayments amounting to \$2,734,910 thousand and \$1,831,968 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:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	\$ 45,068	56,223	52,488
Non-current	58,371	91,717	78,729
	<u>\$ 103,439</u>	<u>147,940</u>	<u>131,217</u>

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

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest on lease liabilities	\$ 774	1,070	3,324	3,200
Expenses relating to short-term leases	\$ 3,451	1,664	16,982	4,091
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 98	151	368	386

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

	For the nine months ended September 30	
	2025	2024
Total cash outflow from operating activities	\$ 20,674	7,677
Total cash outflow from financing activities	37,250	39,901
Total cash outflow for leases	<u>\$ 57,924</u>	<u>47,578</u>

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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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Operating costs	\$ 1,443	1,902	4,401	5,517
Administration expenses	1,180	1,404	3,599	4,072
	<u>\$ 2,623</u>	<u>3,306</u>	<u>8,000</u>	<u>9,589</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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Administration expenses	\$ 218	216	647	648

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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 \$12,383 thousand, \$7,459 thousand and \$11,012 thousand as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.

(o) Income taxes

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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Current tax expense				
Current period	\$ (95)	(355)	19	614
Adjustment for prior periods	(2)	364	180	364
Income tax expenses	<u>\$ (97)</u>	<u>9</u>	<u>199</u>	<u>978</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 2024. 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 nine months ended September 30, 2025 and 2024. Please refer to note 6(o) of the 2024 consolidated financial statements for related information.

(i) Issuance of common stock

As of September 30, 2025, December 31, 2024, and September 30, 2024, the total value of authorized common stock is \$3,000,000 thousand. Par value of each share is \$10 (dollars), and in total, there are 300,000 thousand authorized common shares. The authorized common stock is ordinary share capital. The total number of issued shares is 264,938 thousands shares, 219,938 thousand shares and 189,938 thousand shares, respectively, and the payment for all issued shares has been received.

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

	Unit: Thousand shares	
	For the nine months ended	
	September 30	
	2025	2024
Balance at January 1	219,938	189,938
Issue of shares	45,000	-
Balance at September 30	264,938	189,938

The Company's Board of Directors resolved to increase the Company's capital by issuing new shares for cash on May 9, 2025, and the chairman approved the issuance of 45,000 thousand shares at a price of \$20 per share, with a par value of \$10 per share, totaling \$900,000 thousand on May 23, 2025, and August 18, 2025, respectively. After deducting issuance costs of \$3,621 thousand and share capital of \$450,000 thousand, the remaining \$446,379 thousand was recognized as capital surplus. All proceeds from the capital increase have been collected, and the effective date was set on September 17, 2025.

(ii) Capital surplus

The balances of capital surplus were as follows:

	September 30,	December 31,	September 30,
	2025	2024	2024
Premium on capital stock	\$ 3,719,766	3,273,387	2,378,112
Donation by shareholders	27,067	27,067	27,067
Difference arising from subsidiary's share price and its carrying value	(356)	(670)	125
	\$ 3,746,477	3,299,784	2,405,304

(iii) Distribution of earnings

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.

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.

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

(q) Deficits per share

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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Basic deficits per share (diluted deficits per share):				
Net loss	\$ <u>(508,507)</u>	<u>(510,860)</u>	<u>(1,088,612)</u>	<u>(1,135,897)</u>
Weighted-average number of common shares outstanding (thousand shares)	<u>226,786</u>	<u>189,938</u>	<u>222,246</u>	<u>189,938</u>
Basic deficits per share / diluted deficits per share (New Taiwan Dollars)	\$ <u>(2.24)</u>	<u>(2.69)</u>	<u>(4.90)</u>	<u>(5.98)</u>

(r) Revenues from contracts with customers

(i) Disaggregation of revenue

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Primary geographical markets:				
Thailand	\$ 770,323	648,863	1,893,749	1,678,779
Korea	334,954	482,306	1,302,650	1,481,543
Vietnam	303,743	398,413	1,105,390	1,392,407
Singapore	247,680	406,790	1,010,555	1,481,206
Hong Kong	282,730	347,196	962,533	936,092
Others	<u>973,991</u>	<u>1,142,559</u>	<u>2,661,536</u>	<u>2,408,459</u>
	<u>\$ 2,913,421</u>	<u>3,426,127</u>	<u>8,936,413</u>	<u>9,378,486</u>
Main product/service line				
Single-layer PCB sales	\$ 71,298	90,926	277,316	264,758
Double-layer PCB sales	464,632	641,750	1,684,183	2,184,115
Multi-layer PCB sales	2,388,355	2,697,964	6,994,801	6,928,589
Others	3,798	6,581	19,444	23,134
Less: sales return and allowance	<u>(14,662)</u>	<u>(11,094)</u>	<u>(39,331)</u>	<u>(22,110)</u>
	<u>\$ 2,913,421</u>	<u>3,426,127</u>	<u>8,936,413</u>	<u>9,378,486</u>

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

(ii) Balances of contract

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 627	3,559	3,376
Accounts receivable	3,460,388	3,473,911	3,381,174
Less: loss allowance	(71,575)	(74,398)	(51,145)
Total	<u>\$ 3,389,440</u>	<u>3,403,072</u>	<u>3,333,405</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 nine-month periods ended September 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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest income on bank deposits	\$ 284	178	1,636	1,372

(ii) Other income

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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest income	\$ -	10,368	5,303	37,409
Income from cancellation of orders	7,895	8,713	26,045	24,401
	<u>\$ 7,895</u>	<u>19,081</u>	<u>31,348</u>	<u>61,810</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:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Gains (losses) on disposal of property, plant and equipment	\$ (344)	(145)	6,362	(925)
Losses on disposal of intangible assets	-	-	(2)	-
Net foreign exchange gains	36,265	27,136	109,716	99,438
Valuation losses on financial assets or liabilities, net	(16,631)	(5,833)	(45,872)	(57,919)
Loss of impairment	(4,169)	(4,176)	(12,717)	(12,115)
Gain on lease modifications	790	-	790	-
Gain on lease modifications	50	11	(6,777)	23
	<u>\$ 15,961</u>	<u>16,993</u>	<u>51,500</u>	<u>28,502</u>

(iv) Finance cost

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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest expense on loans from banks	\$ 102,058	99,390	293,502	260,338
Interest expense on lease liabilities	774	1,070	3,324	3,200
Amortization of discount on bonds payable	(5,955)	(10,490)	(21,044)	(31,103)
	<u>\$ 96,877</u>	<u>89,970</u>	<u>275,782</u>	<u>232,435</u>

(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
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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 37%, 39% and 41% of the total amount of notes and accounts receivable as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group's accounts receivable concentrated on three main customers were \$1,259,918 thousand, \$1,320,835 thousand and \$1,361,100 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 amount</u>	<u>Contractual cash flows</u>	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>More than 2 years</u>
September 30, 2025					
Short-term loans	\$ 2,530,204	2,535,525	2,535,525	-	-
Long-term loans	6,544,458	6,970,353	3,441,928	1,662,154	1,866,271
Lease liabilities	103,439	109,345	48,194	32,819	28,332
Convertible bonds payable (including derivative financial assets)	2,373,967	2,373,967	2,373,967	-	-
Accounts payable	690,532	690,532	690,532	-	-
Long-term payable	11,684	11,684	-	11,684	-
Derivative financial liabilities					
Other forward contract—					
Inflow	-	(14,359,498)	(14,359,498)	-	-
Outflow	1,977	14,361,475	14,361,475	-	-
	<u>\$ 12,256,261</u>	<u>12,693,383</u>	<u>9,092,123</u>	<u>1,706,657</u>	<u>1,894,603</u>

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>More than 2 years</u>
December 31, 2024					
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 payables for machinery and 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	1,077	93,114	93,114	-	-
	<u><u>\$ 12,515,893</u></u>	<u><u>13,090,888</u></u>	<u><u>11,753,936</u></u>	<u><u>1,094,601</u></u>	<u><u>242,351</u></u>
September 30, 2024					
Non-derivative financial liabilities					
Short-term loans	\$ 2,378,372	2,391,930	2,391,930	-	-
Long-term loans	7,687,082	8,297,473	3,198,263	2,730,123	2,369,087
Lease liabilities	131,217	137,380	55,916	46,068	35,396
Accounts payable	2,763,243	2,763,243	2,763,243	-	-
Other payables (including payables for machinery and equipment)	1,148,174	1,148,174	1,148,174	-	-
Long-term payable	7,685	7,685	-	5,425	2,260
Derivative financial liabilities					
Other forward contract —					
Inflow	-	(304,109)	(304,109)	-	-
Outflow	10,074	314,183	314,183	-	-
	<u><u>\$ 14,125,847</u></u>	<u><u>14,755,959</u></u>	<u><u>9,567,600</u></u>	<u><u>2,781,616</u></u>	<u><u>2,406,743</u></u>

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:

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency	Exchange rate	Amount	Foreign currency	Exchange rate	Amount	Foreign currency	Exchange rate	Amount
Financial assets									
Monetary items									
USD	\$ 117,146	30.28	3,547,115	97,532	32.22	3,239,936	98,338	31.55	3,102,578
Financial liabilities									
Monetary items									
USD	136,952	30.58	4,187,700	108,042	33.50	3,619,020	63,757	31.89	2,033,022

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 September 30, 2025 and 2024, would have decrease and increased net loss before tax for the nine months ended September 30, 2025 and 2024, by \$32,000 thousand and \$25,300 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 \$36,265 thousand, \$27,136 thousand, \$109,716 thousand and \$99,438 thousand, respectively, for the three months and nine months ended September 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.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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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.

If the interest rate had increased / decreased by 0.25%, the Group's net loss would have increased / decreased by \$17,000 thousand and \$18,800 thousand, respectively, for the nine months ended September 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 nine months ended September 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>	For the nine months ended September 30	
	2025	2024
5% increase	\$ <u>721</u>	<u>-</u>
5% decrease	\$ <u>(721)</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:

	September 30, 2025				
	<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>988</u>	<u>-</u>	<u>988</u>	<u>-</u>	<u>988</u>
Financial assets at fair value through other comprehensive income					
Unlisted common shares	<u>14,414</u>	<u>-</u>	<u>-</u>	<u>14,414</u>	<u>14,414</u>

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

		September 30, 2025			
		Fair value			Total
	Amount	Level 1	Level 2	Level 3	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 565,726	-	-	-	-
Financial assets at amortized cost	15,844	-	-	-	-
Notes receivables	627	-	-	-	-
Accounts receivables	3,388,813	-	-	-	-
Other receivables	180,907	-	-	-	-
Refundable deposits	7,038	-	-	-	-
Other financial assets	<u>46,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>4,205,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,221,014</u>	<u>-</u>	<u>988</u>	<u>14,414</u>	<u>15,402</u>
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities – current	\$ <u>1,977</u>	<u>-</u>	<u>1,977</u>	<u>-</u>	<u>1,977</u>
Financial liabilities measured at amortized cost					
Short-term loans	2,530,204	-	-	-	-
Long-term loans	6,544,458	-	-	-	-
Lease liabilities	103,439	-	-	-	-
Convertible bonds payable (including derivative financial assets)	2,373,967	-	-	-	-
Accounts payable	690,532	-	-	-	-
Long-term payable	<u>11,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>12,254,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 12,256,261</u>	<u>-</u>	<u>1,977</u>	<u>-</u>	<u>1,977</u>

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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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

		September 30, 2024				
		Amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss						
Derivative financial assets—current	\$	118	-	118	-	118
Financial assets measured at amortized cost						
Cash and cash equivalents		672,663	-	-	-	-
Financial assets measured at amortized cost		14,729	-	-	-	-
Notes receivables		3,376	-	-	-	-
Accounts receivables		3,330,029	-	-	-	-
Other receivables		159,819	-	-	-	-
Refundable deposits		7,907	-	-	-	-
Other financial assets		26,606	-	-	-	-
Subtotal		4,215,129	-	-	-	-
Total	\$	4,215,247	-	118	-	118
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities—current	\$	10,074	-	10,074	-	10,074
Financial liabilities measured at amortized cost						
Short-term loans		2,378,372	-	-	-	-
Long-term loans		7,687,082	-	-	-	-
Lease liabilities		131,217	-	-	-	-
Accounts payable		2,763,243	-	-	-	-
Other payables (including payables for machinery and equipment)		1,148,174	-	-	-	-
Long-term payable		7,685	-	-	-	-
Subtotal		14,115,773	-	-	-	-
Total	\$	14,125,847	-	10,074	-	10,074

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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.

3) Quantitative information of significant unobservable inputs (Level 3) relating to fair value measurement

The Level 3 of fair value measurements mainly includes financial assets measured at fair value through other comprehensive income. However, the Level 3 fair value measurement of the Group is based solely on a single significant unobservable input.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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Table of quantitative information of significant unobservable inputs is provided below:

Item	Valuation technique	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets measured at fair value through other comprehensive income	Net assets value method	Net asset value	The higher the net assets value, the higher the fair value

As the amount of equity investments measured at fair value using the net asset approach for the Group is not material, the sensitivity analysis of Level 3 financial instruments to reasonably possible alternative assumptions is not disclosed.

(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.

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.

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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As at September 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 September 30, 2025, December 31, 2024, and September 30, 2024, was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Net liabilities	\$ <u>12,378,497</u>	<u>12,656,804</u>	<u>14,291,338</u>
Total equity	\$ <u>6,475,399</u>	<u>6,786,112</u>	<u>6,412,386</u>
Debt-to-equity ratio	<u>191.16</u> %	<u>186.51</u> %	<u>222.87</u> %

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

	September 30, 2025	December 31, 2024	September 30, 2024
Net liabilities	\$ <u>12,080,605</u>	<u>12,059,316</u>	<u>13,380,773</u>
Total equity	\$ <u>7,655,904</u>	<u>7,968,382</u>	<u>7,372,222</u>
Debt-to-equity ratio	<u>157.79</u> %	<u>151.34</u> %	<u>181.50</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 nine months ended September 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:

	January 1, 2025	Cash flows	Acquisition or termination of contracts	Classification	Translation effect	September 30, 2025
Long-term loans	\$ 7,242,440	(599,750)	-	-	(98,232)	6,544,458
Short-term loans	1,938,954	620,709	-	-	(29,459)	2,530,204
Lease liabilities	147,940	(37,250)	(5,072)	-	(2,179)	103,439
Total liabilities from financing activities	\$ <u>9,329,334</u>	<u>(16,291)</u>	<u>(5,072)</u>	<u>-</u>	<u>(129,870)</u>	<u>9,178,101</u>

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	January 1, 2024	Cash flows	Non-cash changes			September 30, 2024
			Acquisition or termination of contracts	Classification	Translation effect	
Long-term loans	\$ 5,931,525	1,072,725	-	100,000	582,832	7,687,082
Short-term loans	2,284,359	(8,235)	-	(100,000)	202,248	2,378,372
Lease liabilities	139,423	(39,901)	21,148	-	10,547	131,217
Total liabilities from financing activities	<u>\$ 8,355,307</u>	<u>1,024,589</u>	<u>21,148</u>	<u>-</u>	<u>795,627</u>	<u>10,196,671</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 nine months ended September 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 ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 12,359	16,949	34,860	48,372
Post-employment benefits	209	251	372	708
Other long-term benefits	-	2	4	4
	<u>\$ 12,568</u>	<u>17,202</u>	<u>35,236</u>	<u>49,084</u>

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APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
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(8) Pledged assets:

Pledged assets	Object	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets measured at amortized cost — current:				
Pledged time deposits	Long-term loans	\$ 15,844	15,735	-
Other financial assets — non-current:				
Restricted bank deposits	Long-term loans and derivative instruments not used for hedging	46,657	31,983	26,606
Property, plant, and equipment:				
Land	Long-term and short-term loans	412	418	429
Buildings	Long-term and short-term loans	17,343	22,450	25,117
Machinery and equipment	Long-term, short-term loans and electricity guarantee	1,410,981	1,024,029	1,079,560
		<u><u>\$ 1,491,237</u></u>	<u><u>1,094,615</u></u>	<u><u>1,131,712</u></u>

(9) Significant commitments and contingencies:

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

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	\$ 271,776	333,259	492,267
Other long-term commitments	12,103	6,580	14,515
Total	<u><u>\$ 283,879</u></u>	<u><u>339,839</u></u>	<u><u>506,782</u></u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Letters of credit	<u><u>\$ 75</u></u>	<u><u>53,436</u></u>	<u><u>86,682</u></u>

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

(c) Guarantees provided by banks were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Electricity guarantee	\$ <u>130,362</u>	<u>132,396</u>	<u>135,869</u>

(10) Losses due to major disasters:None

(11) Subsequent events:None

(12) Other:

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

Function Account	For the three months ended September 30					
	2025			2024		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Personnel costs						
Salaries	394,686	80,085	474,771	511,233	99,028	610,261
Health insurance	-	418	418	-	401	401
Pension	1,443	1,398	2,841	1,902	1,620	3,522
Other personnel expense	41,939	12,527	54,466	50,792	24,133	74,925
Depreciation	305,118	31,795	336,913	296,330	34,164	330,494
Amortization	1,505	4,771	6,276	1,339	4,557	5,896

Function Account	For the nine months ended September 30					
	2025			2024		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Personnel benefit costs						
Salaries	1,279,572	238,333	1,517,905	1,402,116	281,148	1,683,264
Health insurance	-	1,252	1,252	-	1,217	1,217
Pension	4,401	4,246	8,647	5,517	4,720	10,237
Other personnel expense	125,839	37,917	163,756	137,593	70,946	208,539
Depreciation	921,294	101,031	1,022,325	847,809	98,814	946,623
Amortization	4,006	14,092	18,098	3,678	13,244	16,922

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

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(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 nine months ended September 30, 2025:

(i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	APT	Other receivable — related parties	Yes	457,035	457,035	-	0	2	-	Operating turnover	-		-	645,304 (Note 2)	1,290,607 (Note 2)

Note 1: Financing purposes

1For entities the Company has business relationship with.

2For entities with short-term financing needs.

Note 2: The Company's aggregate and maximum amount of financing to any entity shall not exceed 20% and 10%, respectively, of its net worth.

(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	19,359,105 (Note 2)	15,820,517	15,820,517	8,935,595	-	245.16 %	19,359,105 (Note 3)	Y	N	N
1	APT	APS	4	645,304 (Note 4)	668,891	668,891 (Note 5)	282,351	-	10.37 %	645,304 (Note 4)	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.

Note 5: Due to a decrease in the Company's net worth, the endorsement and guarantee amounts between its subsidiaries , APT and APS , have exceeded the approved limits. The Company has formulated a remediation plan, which includes continuous improvement of its operational performance and profitability, capital raising, reduction of endorsement limits, and enhancement of its financial structure. These measures are intended to gradually restore its net worth and resolve the excess endorsement and guarantee situation as soon as possible.

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

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	14,414	15.00 %	14,414	

Unit: in thousands of dollars

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- (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.
- (b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025:

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee (Note 1)	Share of profits/losses of investee (Notes 1 and 2)	Note
				September 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	5,694,882	4,944,387	194,994	99.69 %	7,190,278	(1,047,128)	(1,043,540)	
The Company	AET	British Virgin Islands	Supply chain integration	10,000	10,000	1,000	100.00 %	5,072	(4,688)	(4,637)	
APT	APS	Thailand	PCB (printed circuit board) manufacturing and sales	277,485	277,485	32	99.99 %	169,987	(32,486)	(32,483)	(Note 4)
APS	APSS	Singapore	PCB sales development	8,195	8,195	402	100.00 %	13,814	(8,046)	(3,182)	(Note 4)

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 reviewed 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 September 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	-	-	-	-	6,553 (RMB1,517)	99.69 %	7,276 (RMB1,684)	32,651 (RMB7,566)	-

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 reviewed 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 September 30, 2025 (BS exchange rate RMB:TWD=1:4.3155).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=1:4.3207).

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

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

(14) Segment information:

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

For the three months ended September 30				
2025				
	Thailand	Other	Adjustments and eliminations	Total
Revenue				
Revenue from external customers	\$ 2,913,484	(63)	-	2,913,421
Intersegment revenues	1,360	19,757	(21,117)	-
Total revenue	<u>\$ 2,914,844</u>	<u>19,694</u>	<u>(21,117)</u>	<u>2,913,421</u>
Reportable segment profit or loss	<u>\$ (492,191)</u>	<u>(16,722)</u>	<u>(1,334)</u>	<u>(510,247)</u>
For the three months ended September 30				
2024				
	Thailand	Other	Adjustments and eliminations	Total
Revenue				
Revenue from external customers	\$ 3,416,248	9,810	69	3,426,127
Intersegment revenues	10,540	86,741	(97,281)	-
Total revenue	<u>\$ 3,426,788</u>	<u>96,551</u>	<u>(97,212)</u>	<u>3,426,127</u>
Reportable segment profit or loss	<u>\$ (493,150)</u>	<u>(12,144)</u>	<u>(7,540)</u>	<u>(512,834)</u>
For the nine months ended September 30				
2025				
	Thailand	Other	Adjustments and eliminations	Total
Revenue				
Revenue from external customers	\$ 8,932,724	3,689	-	8,936,413
Intersegment revenues	10,193	59,411	(69,604)	-
Total revenue	<u>\$ 8,942,917</u>	<u>63,100</u>	<u>(69,604)</u>	<u>8,936,413</u>
Reportable segment profit or loss	<u>\$ (1,045,540)</u>	<u>(46,418)</u>	<u>(47)</u>	<u>(1,092,005)</u>

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	For the nine months ended September 30			
	2024			
	Thailand	Other	Adjustments and eliminations	Total
Revenue				
Revenue from external customers	\$ 9,354,338	24,148	-	9,378,486
Intersegment revenues	<u>29,525</u>	<u>235,969</u>	<u>(265,494)</u>	<u>-</u>
Total revenue	<u>\$ 9,383,863</u>	<u>260,117</u>	<u>(265,494)</u>	<u>9,378,486</u>
Reportable segment profit or loss	<u>\$ (1,082,339)</u>	<u>(44,142)</u>	<u>(12,820)</u>	<u>(1,139,301)</u>

For the three months and nine months ended September 30, 2025 and 2024, the adjustments and eliminations of the intersegment net profit (loss) to the reportable segment profit (loss) were \$1,334 thousand, \$7,540 thousand, \$47 thousand and \$12,820 thousand, respectively.