

Shuttle Inc. and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Shuttle Inc.

Introduction

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

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Notes 12 and 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and Investments accounted for using the equity method were not reviewed. As of June 30, 2025 and 2024, combined total assets of these non-significant subsidiaries were NT\$144,321 thousand and NT\$176,910 thousand, respectively, representing 3.37% and 3.82%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$32,861 thousand and NT\$22,705 thousand, respectively, representing 4.70% and 2.93%, respectively, of the consolidated total liabilities; for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the amounts of the combined comprehensive income of these subsidiaries were NT\$(3,335) thousand, NT\$(2,796) thousand, NT\$(3,793) thousand and NT\$(7,245) thousand, respectively, representing 2.78%, (10.49%), 3.63% and (7.35%), respectively, of the consolidated total comprehensive income. As of June 30, 2025 and 2024, the investments accounted for using the equity method were NT\$33,685 thousand and NT\$37,807 thousand respectively; for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the share of loss from joint ventures recognized under the equity method were NT\$(12) thousand, NT\$148 thousand, NT\$(71) thousand and NT\$30 thousand, respectively.

Qualified Conclusion

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 8, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

SHUTTLE INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 849,236	20	\$ 932,327	21	\$ 1,223,261	26
Financial assets at fair value through profit or loss - current (Note 7)	1,522	-	4,931	-	3,915	-
Financial assets at fair value through other comprehensive income - current (Note 8)	23,609	-	26,034	1	36,274	1
Trade receivables from unrelated parties (Note 9)	190,920	4	176,503	4	186,551	4
Other receivables (Note 9)	4,113	-	13,748	-	4,306	-
Current tax assets	12,815	-	17,528	-	8,100	-
Inventories (Note 10)	628,460	15	631,786	14	633,295	14
Prepayments (Notes 11 and 28)	29,299	1	28,210	1	24,343	1
Other current assets (Note 17)	68,441	2	74,978	2	57,290	1
Total current assets	1,808,415	42	1,906,045	43	2,177,335	47
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	5,811	-	-	-	-	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	223,440	5	236,105	5	285,948	6
Investments accounted for using the equity method (Note 13)	33,685	1	37,608	1	37,807	1
Property, plant and equipment (Notes 14 and 29)	1,081,535	25	1,085,332	25	1,090,150	24
Right-of-use assets (Note 15)	120,673	3	141,868	3	157,310	3
Goodwill	54,565	1	54,565	1	54,565	1
Other intangible assets (Note 16)	146,594	4	154,834	4	164,368	4
Deferred tax assets	128,787	3	114,462	3	114,058	2
Other non-current assets (Notes 14, 17 and 29)	684,628	16	669,563	15	548,022	12
Total non-current assets	2,479,718	58	2,494,337	57	2,452,228	53
TOTAL	\$ 4,288,133	100	\$ 4,400,382	100	\$ 4,629,563	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 29)	\$ 50,000	1	\$ 50,000	1	\$ 50,000	1
Financial liabilities at fair value through profit or loss - current (Note 7)	5,937	-	-	-	1,225	-
Contract liabilities (Note 22)	15,992	-	14,148	1	13,661	-
Trade payables to unrelated parties	148,790	4	144,905	3	178,254	4
Other payables (Note 19)	138,078	3	151,098	4	149,113	3
Payables for dividends	61,605	2	-	-	69,433	2
Current tax liabilities - current	2,105	-	3,163	-	9,730	-
Provisions (Note 20)	60,150	1	58,092	1	55,994	1
Lease liabilities - current (Note 15)	49,565	1	54,402	1	58,598	1
Other current liabilities	33,947	1	6,804	-	13,914	1
Total current liabilities	566,169	13	482,612	11	599,922	13
NON-CURRENT LIABILITIES						
Current tax liabilities - non-current	-	-	716	-	-	-
Deferred tax liabilities	622	-	2,494	-	5,374	-
Lease liabilities - non-current (Note 15)	130,259	3	152,466	4	168,286	4
Other non-current liabilities	1,928	-	2,135	-	2,190	-
Total non-current liabilities	132,809	3	157,811	4	175,850	4
Total liabilities	698,978	16	640,423	15	775,772	17
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)						
Ordinary shares	3,434,273	80	3,434,273	78	3,434,273	74
Capital surplus	40,825	1	42,763	1	52,575	1
Retained earnings						
Legal reserve	33,240	1	33,240	1	30,822	1
Special reserve	23,713	1	23,713	-	27,631	-
Unappropriated earnings	18,300	-	127,706	3	139,592	3
Total retained earnings	75,253	2	184,659	4	198,045	4
Other equity	(83,313)	(2)	(34,894)	(1)	23,714	1
Total equity attributable to owners of the Company	3,467,038	81	3,626,801	82	3,708,607	80
NON-CONTROLLING INTERESTS	122,117	3	133,158	3	145,184	3
Total equity	3,589,155	84	3,759,959	85	3,853,791	83
TOTAL	\$ 4,288,133	100	\$ 4,400,382	100	\$ 4,629,563	100

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

(With Deloitte & Touche review report dated August 8, 2025)

SHUTTLE INC. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 22 and 32)								
Sales	\$ 416,322	102	\$ 430,745	101	\$ 851,875	102	\$ 876,519	101
Less: Sales returns and allowances	<u>9,333</u>	<u>2</u>	<u>4,813</u>	<u>1</u>	<u>12,810</u>	<u>2</u>	<u>7,904</u>	<u>1</u>
Total operating revenue	406,989	100	425,932	100	839,065	100	868,615	100
OPERATING COSTS (Notes 10 and 22)								
Cost of goods sold	<u>239,687</u>	<u>59</u>	<u>248,195</u>	<u>58</u>	<u>496,582</u>	<u>59</u>	<u>510,630</u>	<u>59</u>
GROSS PROFIT	<u>167,302</u>	<u>41</u>	<u>177,737</u>	<u>42</u>	<u>342,483</u>	<u>41</u>	<u>357,985</u>	<u>41</u>
OPERATING EXPENSES (Notes 22 and 28)								
Selling and marketing expenses	93,935	23	95,610	23	191,842	23	187,376	21
General and administrative expenses	46,988	11	51,650	12	96,201	11	102,084	12
Research and development expenses	47,656	12	43,744	10	89,057	11	84,733	10
Expected credit loss (reversed)	<u>(3,304)</u>	<u>(1)</u>	<u>(966)</u>	<u>-</u>	<u>(3,175)</u>	<u>-</u>	<u>1,170</u>	<u>-</u>
Total operating expenses	<u>185,275</u>	<u>45</u>	<u>190,038</u>	<u>45</u>	<u>373,925</u>	<u>45</u>	<u>375,363</u>	<u>43</u>
LOSS FROM OPERATIONS	<u>(17,973)</u>	<u>(4)</u>	<u>(12,301)</u>	<u>(3)</u>	<u>(31,442)</u>	<u>(4)</u>	<u>(17,378)</u>	<u>(2)</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	4,359	1	9,890	2	8,223	1	18,110	2
Other income (Note 22)	1,865	-	1,969	1	5,494	1	4,347	-
Other gains and losses (Note 22)	(56,411)	(14)	9,476	2	(40,529)	(5)	39,426	5
Finance costs (Note 22)	(1,631)	-	(1,894)	-	(3,373)	-	(3,928)	-
Loss of joint ventures (Note 13)	<u>(12)</u>	<u>-</u>	<u>148</u>	<u>-</u>	<u>(71)</u>	<u>-</u>	<u>30</u>	<u>-</u>
Total non-operating income and expenses	<u>(51,830)</u>	<u>(13)</u>	<u>19,589</u>	<u>5</u>	<u>(30,256)</u>	<u>(3)</u>	<u>57,985</u>	<u>7</u>
(LOSS) PROFIT BEFORE INCOME TAX	(69,803)	(17)	7,288	2	(61,698)	(7)	40,607	5
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 23)	<u>8,918</u>	<u>2</u>	<u>(5,801)</u>	<u>(2)</u>	<u>5,780</u>	<u>1</u>	<u>(16,214)</u>	<u>(2)</u>
NET (LOSS) PROFIT FOR THE PERIOD	<u>(60,885)</u>	<u>(15)</u>	<u>1,487</u>	<u>-</u>	<u>(55,918)</u>	<u>(6)</u>	<u>24,393</u>	<u>3</u>
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income (Note 21)	(12,571)	(3)	21,114	5	(15,080)	(2)	56,257	6

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SHUTTLE INC. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	\$ (58,063)	(14)	\$ 5,140	1	\$ (41,828)	(5)	\$ 22,330	3
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 23)	<u>11,613</u>	<u>3</u>	<u>(1,081)</u>	<u>-</u>	<u>8,366</u>	<u>1</u>	<u>(4,466)</u>	<u>(1)</u>
Other comprehensive income for the period, net of income tax	<u>(59,021)</u>	<u>(14)</u>	<u>25,173</u>	<u>6</u>	<u>(48,542)</u>	<u>(6)</u>	<u>74,121</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ (119,906)</u>	<u>(29)</u>	<u>\$ 26,660</u>	<u>6</u>	<u>\$ (104,460)</u>	<u>(12)</u>	<u>\$ 98,514</u>	<u>11</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ (55,541)	(14)	\$ 1,436	-	\$ (51,034)	(6)	\$ 24,180	3
Non-controlling interests	<u>(5,344)</u>	<u>(1)</u>	<u>51</u>	<u>-</u>	<u>(4,884)</u>	<u>(1)</u>	<u>213</u>	<u>-</u>
	<u>\$ (60,885)</u>	<u>(15)</u>	<u>\$ 1,487</u>	<u>-</u>	<u>\$ (55,918)</u>	<u>(7)</u>	<u>\$ 24,393</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ (114,015)	(28)	\$ 26,519	6	\$ (99,442)	(12)	\$ 97,943	11
Non-controlling interests	<u>(5,891)</u>	<u>(1)</u>	<u>141</u>	<u>-</u>	<u>(5,018)</u>	<u>-</u>	<u>571</u>	<u>-</u>
	<u>\$ (119,906)</u>	<u>(29)</u>	<u>\$ 26,660</u>	<u>6</u>	<u>\$ (104,460)</u>	<u>(12)</u>	<u>\$ 98,514</u>	<u>11</u>
(LOSSES) EARNINGS PER SHARE (Note 24)								
Basic	<u>\$ (0.16)</u>		<u>\$ -</u>		<u>\$ (0.15)</u>		<u>\$ 0.07</u>	
Diluted	<u>\$ (0.16)</u>		<u>\$ -</u>		<u>\$ (0.15)</u>		<u>\$ 0.07</u>	

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

(With Deloitte & Touche review report dated August 8, 2025)

(Concluded)

SHUTTLE INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company						Other Equity		Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity		
			Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE, JANUARY 1, 2024	\$ 3,434,273	\$ 52,526	\$ 30,822	\$ 27,631	\$ 173,795	\$ (18,884)	\$ (31,165)	\$ (50,049)	\$ 155,663	\$ 3,824,661
Appropriation of 2023 earnings										
Cash dividends distributed by the Company (NT\$0.17 per share)	-	-	-	-	(58,383)	-	-	-	-	(58,383)
Cash dividends distributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	(11,050)	(11,050)
Changes in percentage of ownership interests in subsidiaries	-	49	-	-	-	-	-	-	-	49
Net profit for the six months ended June 30, 2024	-	-	-	-	24,180	-	-	-	213	24,393
Other comprehensive income for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	17,506	56,257	73,763	358	74,121
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	24,180	17,506	56,257	73,763	571	98,514
BALANCE, JUNE 30, 2024	<u>\$ 3,434,273</u>	<u>\$ 52,575</u>	<u>\$ 30,822</u>	<u>\$ 27,631</u>	<u>\$ 139,592</u>	<u>\$ (1,378)</u>	<u>\$ 25,092</u>	<u>\$ 23,714</u>	<u>\$ 145,184</u>	<u>\$ 3,853,791</u>
BALANCE, JANUARY 1, 2025	\$ 3,434,273	\$ 42,763	\$ 33,240	\$ 23,713	\$ 127,706	\$ 84	\$ (34,978)	\$ (34,894)	\$ 133,158	\$ 3,759,959
Appropriation of 2024 earnings										
Cash dividends distributed by the Company (NT\$0.17 per share)	-	-	-	-	(58,383)	-	-	-	-	(58,383)
Cash dividends distributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	(3,222)	(3,222)
Changes in percentage of ownership interests in subsidiaries	-	(1,938)	-	-	-	-	-	-	(2,801)	(4,739)
Net loss for the six months ended June 30, 2025	-	-	-	-	(51,034)	-	-	-	(4,884)	(55,918)
Other comprehensive loss for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	(33,328)	(15,080)	(48,408)	(134)	(48,542)
Total comprehensive loss for the six months ended June 30, 2025	-	-	-	-	(51,034)	(33,328)	(15,080)	(48,408)	(5,018)	(104,460)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	11	-	(11)	(11)	-	-
BALANCE, JUNE 30, 2025	<u>\$ 3,434,273</u>	<u>\$ 40,825</u>	<u>\$ 33,240</u>	<u>\$ 23,713</u>	<u>\$ 18,300</u>	<u>\$ (33,244)</u>	<u>\$ (50,069)</u>	<u>\$ (83,313)</u>	<u>\$ 122,117</u>	<u>\$ 3,589,155</u>

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

(With Deloitte & Touche review report dated August 8, 2025)

SHUTTLE INC. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) profit before income tax	\$ (61,698)	\$ 40,607
Adjustments for:		
Depreciation expenses	31,184	28,440
Amortization expenses	11,662	16,780
Expected credit loss (reversed) recognized on trade receivables	(3,175)	1,170
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	10,038	(1,750)
Finance costs	3,373	3,928
Interest income	(8,223)	(18,110)
Loss (gain) of joint ventures	71	(30)
Gain on disposal of property, plant and equipment	(7)	-
Write-downs of inventories	24,907	37,379
Unrealized loss (gain) on foreign currency exchange	17,258	(15,589)
Recognition (reversal) of provisions	2,373	(2,580)
Changes in operating assets and liabilities:		
Trade receivables	(28,394)	(31,315)
Other receivables	9,869	1,057
Inventories	(40,190)	1,730
Prepayments	(6,205)	237
Other current assets	6,535	(2,435)
Contract liabilities	2,870	(12,647)
Trade payables	12,205	86,947
Other payables	(9,505)	(12,877)
Provisions	(416)	(546)
Other current liabilities	27,141	346
Cash generated from operations	1,673	120,742
Interest paid	(3,369)	(3,924)
Income tax refund (paid)	279	(24,538)
Net cash (used in) generated from operating activities	(1,417)	92,280
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(6,502)	(39,322)
Proceeds from sale of financial assets at fair value through profit or loss	-	2,365
Acquisition of property, plant and equipment	(7,615)	(6,436)
Proceeds from disposal of property, plant and equipment	7	-
(Increase) decrease in refundable deposits	(1,164)	800
Acquisition of intangible assets	(195)	-
Increase in other non-current assets	(10,412)	(1)
Acquisition of subsidiary shares	(4,739)	-

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SHUTTLE INC. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	2024
Increase in other prepayments	\$ (3,600)	\$ (132,587)
Interest received	<u>7,989</u>	<u>18,254</u>
Net cash used in investing activities	<u>(26,231)</u>	<u>(156,927)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(31,947)	(28,736)
Decrease in other non-current liabilities	(149)	(143)
Partial disposal of interests in subsidiary without a loss of control	<u>-</u>	<u>49</u>
Net cash used in financing activities	<u>(32,096)</u>	<u>(28,830)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(23,347)</u>	<u>21,627</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(83,091)	(71,850)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>932,327</u>	<u>1,295,111</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 849,236</u>	<u>\$ 1,223,261</u>

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

(With Deloitte & Touche review report dated August 8, 2025)

(Concluded)

SHUTTLE INC. AND SUBSIDIARIES

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

1. ORGANIZATION AND OPERATIONS

Shuttle Inc. (the “Company,” the Company and its subsidiaries are collectively referred to as the “Group”) was incorporated in June 1983. The Company is engaged in manufacturing and selling barebones, mainboards, medical devices, other computer and medical device peripherals, as well as providing related technical services. The Company’s shares were listed and traded on the Taipei Exchange (TPEX) Mainboard from December 8, 1998 until the shares became listed and traded on the Taiwan Stock Exchange (TWSE) starting on March 17, 2000.

The shareholders held a meeting and approved the change of the Chinese name of Shuttle Inc. from “浩鑫股份有限公司” to “輔信科技股份有限公司” on June 8, 2022. Alternations to the entries in the corporate registration were completed on July 6, 2022.

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

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on August 4, 2025.

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

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

- 1) Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- 2) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets.

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023

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

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

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

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

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair values.

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

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

c. Basis of consolidation

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

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

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 12, Tables 4 and 5 for the detailed information of subsidiaries (including the percentage of ownership and main business).

d. Other material accounting policies

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

Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 620	\$ 569	\$ 786
Checking accounts and demand deposits	534,037	583,540	478,292
Cash equivalents			
Time deposits with original maturities of less than 3 months	<u>314,579</u>	<u>348,218</u>	<u>744,183</u>
	<u>\$ 849,236</u>	<u>\$ 932,327</u>	<u>\$ 1,223,261</u>

The market rate intervals of cash in bank and time deposits with original maturities of less than 3 months at the end of the reporting period were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Demand deposits	0.001%-1.05%	0.001%-1.05%	0.001%-1.45%
Time deposits with original maturities of less than 3 months	0.64%-4.3%	1.65%-4.68%	1.20%-5.35%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets at fair value through profit and loss (FVTPL) - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 106	\$ 3,103	\$ 1,005
Non-derivative financial assets			
Domestic listed shares	<u>1,416</u>	<u>1,828</u>	<u>2,910</u>
	<u>\$ 1,522</u>	<u>\$ 4,931</u>	<u>\$ 3,915</u>
<u>Financial assets at FVTPL - non-current</u>			
Non-derivative financial assets			
Foreign bonds	<u>\$ 5,811</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Financial liabilities at FVTPL - current</u>			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	<u>\$ 5,937</u>	<u>\$ -</u>	<u>\$ 1,225</u>

At the end of reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Period	Contract Amount (In Thousands)
<u>June 30, 2025</u>			
Sell	EUR/USD	2025.07.03-2025.08.15	EUR2,330/USD2,567
Sell	EUR/NTD	2025.09.18-2025.10.23	EUR1,490/NTD50,719
Sell	JPY/USD	2025.08.07-2025.08.25	JPY46,000/USD313
Sell	USD/NTD	2025.09.16	USD400/NTD11,714
Sell	USD/JPY	2025.11.25	USD500/JPY70,405

December 31, 2024

Sell	EUR/USD	2025.02.10-2025.02.20	EUR1,450/USD1,549
Sell	EUR/NTD	2025.01.21-2025.02.04	EUR1,310/NTD46,157
Sell	JPY/USD	2025.04.14-2025.05.19	JPY40,250/USD266
Sell	JPY/NTD	2025.01.24-2025.02.27	JPY25,500/NTD5,638

June 30, 2024

Sell	EUR/NTD	2024.07.09-2024.10.28	EUR3,826/NTD131,347
Sell	JPY/NTD	2024.07.26-2024.11.25	JPY126,000/NTD26,426

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Domestic listed shares	\$ 23,609	\$ 26,034	\$ 36,274
<u>Non-current</u>			
Domestic listed shares	\$ 123,161	\$ 131,406	\$ 180,364
Domestic unlisted shares	1,115	5,535	5,208
Foreign unlisted shares	99,164	99,164	100,376
	<u>\$ 223,440</u>	<u>\$ 236,105</u>	<u>\$ 285,948</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. TRADE RECEIVABLES AND OTHER RECEIVABLES

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 191,868	\$ 180,649	\$ 190,793
Less: Allowance for impairment loss	<u>(948)</u>	<u>(4,146)</u>	<u>(4,242)</u>
	<u>\$ 190,920</u>	<u>\$ 176,503</u>	<u>\$ 186,551</u>
Other receivables	<u>\$ 4,113</u>	<u>\$ 13,748</u>	<u>\$ 4,306</u>

a. Trade receivables

The average credit terms range from 90 to 120 days. No interest was charged on trade receivables. The Group adopted a policy of rating its major customers by using other public financial information or its own trading records and obtaining sufficient collateral or insurance, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group continuously monitors the credit ratings of its counterparties to manage credit risk.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, insurance coverage, as well as economic condition of the industry in which the customer operates, and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

June 30, 2025

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	0%-0.10%	0%-0.30%	0%-1.00%	0%-3.00%	0%-7.00%	0%-100.00%	
Gross carrying amount	\$ 158,695	\$ 24,930	\$ 7,191	\$ 590	\$ 2	\$ 460	\$ 191,868
Loss allowance (Lifetime ECL)	<u>(37)</u>	<u>(446)</u>	<u>(3)</u>	<u>(2)</u>	<u>-</u>	<u>(460)</u>	<u>(948)</u>
Amortized cost	<u>\$ 158,658</u>	<u>\$ 24,484</u>	<u>\$ 7,188</u>	<u>\$ 588</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 190,920</u>

December 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	0%-0.10%	0%-0.30%	0%-1.00%	0%-3.00%	0%-9.00%	0%-100%	
Gross carrying amount	\$ 133,864	\$ 37,543	\$ 601	\$ 3,741	\$ 1,317	\$ 3,583	\$ 180,649
Loss allowance (Lifetime ECL)	(34)	(443)	(5)	(17)	(64)	(3,583)	(4,146)
Amortized cost	<u>\$ 133,830</u>	<u>\$ 37,100</u>	<u>\$ 596</u>	<u>\$ 3,724</u>	<u>\$ 1,253</u>	<u>\$ -</u>	<u>\$ 176,503</u>

June 30, 2024

	Not Past Due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Expected credit loss rate	0%-0.10%	0%-4.68%	0%-1.00%	0%-3.00%	0%-9.00%	0%-100.00%	
Gross carrying amount	\$ 139,662	\$ 41,860	\$ 1,801	\$ 3,586	\$ 46	\$ 3,838	\$ 190,793
Loss allowance (Lifetime ECL)	(43)	(353)	(2)	(5)	(1)	(3,838)	(4,242)
Amortized cost	<u>\$ 139,619</u>	<u>\$ 41,507</u>	<u>\$ 1,799</u>	<u>\$ 3,581</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 186,551</u>

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

	June 30	
	2025	2024
Balance at January 1	\$ 4,146	\$ 2,984
Add: Allowance for impairment loss	-	1,170
Less: Allowance for impairment loss	(3,175)	-
Foreign exchange gains and losses	<u>(23)</u>	<u>88</u>
Balance at June 30	<u>\$ 948</u>	<u>\$ 4,242</u>

b. Other receivables

Other receivables are individually assessed for impairment and considered to be impaired when there is objective evidence of impairment. At the end of reporting period, there was no past due other receivables and the Group had not recognized allowance for impairment on other receivables.

10. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Finished goods	\$ 423,407	\$ 488,610	\$ 446,730
Work in process	33,075	2,836	11,010
Raw materials	130,330	114,852	142,518
Merchandise	<u>41,648</u>	<u>25,488</u>	<u>33,037</u>
	<u>\$ 628,460</u>	<u>\$ 631,786</u>	<u>\$ 633,295</u>

The costs of inventories recognized as cost of goods sold for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were \$239,687 thousand, \$248,195 thousand, \$496,582 thousand and \$510,630 thousand, respectively. The costs of goods sold included losses from inventory write-downs of \$9,251 thousand, \$16,410 thousand, \$24,907 thousand and \$37,379 thousand for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, respectively.

11. PREPAYMENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Prepayments for purchases	\$ 1,337	\$ 181	\$ 597
Other prepaid expenses	25,138	27,135	21,645
Prepaid expenses - mold templates	<u>2,824</u>	<u>894</u>	<u>2,101</u>
	<u>\$ 29,299</u>	<u>\$ 28,210</u>	<u>\$ 24,343</u>

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Remark
			June 30, 2025	December 31, 2024	June 30, 2024	
Shuttle Inc. ("Shuttle")	Holco (BVI) Inc.	Investment holding company	100.00	100.00	100.00	a
	Gold Fountain Limited	Investment holding company	100.00	100.00	100.00	
	Fuxing Biomedical Co., Ltd	Providing elderly care services and selling medical peripherals	100.00	100.00	100.00	a
	Liigen Inc.	Selling and maintaining computers and peripherals	100.00	100.00	100.00	a
	Yong Jhao Innovation Investment Co., Ltd.	Investment holding company	100.00	100.00	100.00	
	Big Ten Investment Consulting Co., Ltd.	Investment holding company	100.00	100.00	100.00	
	Carilex Medical Inc.	Selling and maintaining air mattress and medical peripherals	6.26	6.26	6.26	c
Holco (BVI) Inc.	Shuttle Computer (H.K.) Ltd., ("S.H.K.")	Selling and maintaining computers and peripherals	100.00	100.00	100.00	
Gold Fountain Limited	Shuttle Computer Handels GmbH ("S.C.H.")	Selling and maintaining computers and peripherals	100.00	100.00	100.00	
	Shuttle Computer Group Inc. ("S.C.G.")	Selling and maintaining computers and peripherals	100.00	100.00	100.00	
	Japan Shuttle Co., Ltd. ("S.C.J.")	Selling and maintaining computers and peripherals	100.00	100.00	100.00	a
	Shuttle Commerce (Shenzhen) Ltd. ("S.C.M.")	Selling and maintaining computers and peripherals	100.00	100.00	100.00	a
Yong Jhao Innovation Investment Co., Ltd.	Carilex Medical Inc.	Selling and maintaining air mattress and medical peripherals	55.60	55.60	55.60	
Big Ten Investment Consulting Co., Ltd.	Carilex Medical Inc.	Selling and maintaining air mattress and medical peripherals	10.31	9.70	7.39	b
Carilex Medical Inc.	Carilex Medical Ltd.	Selling and maintaining air mattress and medical peripherals	100.00	100.00	100.00	a
	Carilex Medical USA, Inc.	Selling and maintaining air mattress and medical peripherals	100.00	100.00	100.00	
	Carilex Medical Technologies GmbH	Selling and maintaining air mattress and medical peripherals	100.00	100.00	100.00	a

Remarks:

- The financial statements of some non-significant subsidiaries were not reviewed by independent auditors.
- Big Ten Investment Consulting Co., Ltd. purchased 469 thousand and 123 thousand shares, respectively, of Carilex Medical Inc. in 2024 and 2025.
- The shares of Carilex Medical Inc. have been listed in the Emerging Stock Market since February 27, 2024.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2025	December 31, 2024	June 30, 2024
Investments in joint ventures			
Shandong Lixin Pension Industry Development Co., Ltd.	<u>\$ 33,685</u>	<u>\$ 37,608</u>	<u>\$ 37,807</u>

At the end of the reporting period, the proportion of ownership and voting rights in joint venture held by the Group were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Shandong Lixin Pension Industry Development Co., Ltd.	50%	50%	50%

The Group entered into a joint venture agreement with Zhongcai Huitou (Beijing) Fund Management Co., Ltd. in May 2017 to jointly invest RMB20,000 thousand in Shandong Lixin Pension Industry Development Co., Ltd. The Group's investment amount was RMB10,000 thousand. According to the agreement, both parties have a majority power on the board of directors and the ability to veto, and therefore, the Group does not have control. In addition, the agreement stipulates that in the future, if the management of the joint venture reaches a certain performance condition, the management may obtain 20% of the shares of the joint venture. Zhongcai Huitou (Beijing) Fund Management Co., Ltd. completed shares transfer to Shanghai Jiayi Investment Holding Co., Ltd. in May 2018 without any changes in the agreement.

Shares of loss of the joint venture recognized by the Group for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were \$(12) thousand, \$148 thousand, \$(71) thousand and \$30 thousand, respectively. The investments accounted for using equity method and the share of profit or loss and other comprehensive income of those investments for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were calculated based on the financial statements which have not been independently reviewed. However, the management believes that there would have been no significant adjustments had this investee's financial statements been independently reviewed.

For details on services, major business offices and the country where the above jointly controlled entities are registered, refer to Table 5, "Investments in Mainland China," following the Notes to Consolidated Financial Statements.

14. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2025	December 31, 2024	June 30, 2024
Land	\$ 1,040,945	\$ 1,046,535	\$ 1,046,083
Buildings	19,570	22,150	22,174
Machinery and equipment	9,906	7,837	8,337
Transportation equipment	3,370	3,390	3,701
Facilities	487	615	710
Leasehold improvement	4,940	2,179	5,374
Other equipment	<u>2,317</u>	<u>2,626</u>	<u>3,771</u>
	<u>\$ 1,081,535</u>	<u>\$ 1,085,332</u>	<u>\$ 1,090,150</u>

Except for depreciation recognized, the Group did not have significant addition, disposal, or impairment of property, plant and equipment during the six months ended June 30, 2025 and 2024.

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

Buildings	
Main buildings	25-45 years
Machinery and equipment	2-7 years
Transportation equipment	5-7 years
Facilities	2-5 years
Leasehold improvements	3-10 years
Other equipment	2-12 years

The Company's board of directors authorized the chairman to deal with the purchase of headquarters buildings in accordance with the resolution of the Company's board of directors passed on August 3, 2023. The Group signed a \$2,350,776 thousand pre-sale contract on November 9, 2023. The payment is paid based on the progress of construction, which is expected to be completed in 2026, with a final payment of \$1,645,543 thousand. As of June 30, 2025, the Group had paid \$601,126 thousand (classified as other non-current assets - prepayments for buildings and land).

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 29.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amounts</u>			
Buildings	\$ 113,364	\$ 137,673	\$ 151,276
Transportation equipment	<u>7,309</u>	<u>4,195</u>	<u>6,034</u>
	<u>\$ 120,673</u>	<u>\$ 141,868</u>	<u>\$ 157,310</u>
	For the Three Months Ended June 30		For the Six Months Ended June 30
	2025	2024	2025
Additions to right-of-use assets	<u>\$ (206)</u>	<u>\$ 467</u>	<u>\$ 7,394</u>
Depreciation charge for right-of-use assets			
Buildings	\$ 12,152	\$ 11,174	\$ 24,252
Transportation equipment	<u>1,093</u>	<u>907</u>	<u>2,122</u>
	<u>\$ 13,245</u>	<u>\$ 12,081</u>	<u>\$ 26,374</u>
			<u>\$ 24,052</u>

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amounts</u>			
Current	\$ 49,565	\$ 54,402	\$ 58,598
Non-current	\$ 130,259	\$ 152,466	\$ 168,286

Range of discount rates for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	0.95%-8.50%	0.95%-8.50%	0.95%-8.50%
Transportation equipment	1.10%-5.50%	1.10%-5.50%	1.10%-5.50%

c. Material leasing activities and terms

The Group leases certain buildings for use as plant and offices with lease terms of 2 to 8 years. These lease arrangements do not include preferential purchase options upon expiration.

To revitalize assets and strengthen the financial structure, the Group sold the office building at Ruiguang Rd., Neihu Dist., Taipei City in December 2021, to Nan Shan Life Insurance Company, Ltd., and then leased it back immediately. The Group signed an 8-year lease arrangement with Nan Shan Life Insurance Company, Ltd. for the continued use of the building. The lease agreement includes a preferential renewal clause, with annual rental payments of \$24,762 thousand for the first two years, and an increase of the rental starting from the third year of the lease term at 1% of the prior year's rental fee.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases and low-value asset leases	\$ 1,814	\$ 2,390	\$ 3,660	\$ 4,700
Total cash outflow for leases	\$ 19,244	\$ 18,471	\$ 38,418	\$ 36,732

The Group leases certain buildings and transportation equipment, which qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. OTHER INTANGIBLE ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Computer software	\$ 16,439	\$ 17,895	\$ 19,242
Core technologies	43,329	48,329	53,328
Trademark rights	86,826	88,610	90,394
Others	<u>-</u>	<u>-</u>	<u>1,404</u>
	<u>\$ 146,594</u>	<u>\$ 154,834</u>	<u>\$ 164,368</u>

Except for amortization recognized, the Group did not have significant addition, disposal, or impairment of other intangible assets during the six months ended June 30, 2025 and 2024.

The above trademark rights, core technologies, other assets and computer software are amortized on a straight-line method over 30 years, 10 years and 2 to 5 years, respectively.

17. OTHER ASSETS - CURRENT AND NON-CURRENT

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Overpaid sales tax	\$ 39,329	\$ 37,128	\$ 31,946
Input tax	8,492	16,294	3,335
Others	<u>20,620</u>	<u>21,556</u>	<u>22,009</u>
	<u>\$ 68,441</u>	<u>\$ 74,978</u>	<u>\$ 57,290</u>
<u>Non-current</u>			
Prepayments for building and land	\$ 601,126	\$ 597,526	\$ 479,266
Restricted bank deposits	43,333	43,333	43,333
Refundable deposits	24,674	23,621	22,572
Prepayments	14,467	4,055	1,823
Net defined benefit assets	<u>1,028</u>	<u>1,028</u>	<u>1,028</u>
	<u>\$ 684,628</u>	<u>\$ 669,563</u>	<u>\$ 548,022</u>

18. SHORT-TERM BORROWINGS

	June 30, 2025	December 31, 2024	June 30, 2024
Credit loans	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Interest rate	2.15%	2.23%	2.005%

19. OTHER PAYABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Accrued salaries and compensation	\$ 58,023	\$ 78,447	\$ 62,800
Payables for promotion expenses	24,625	18,164	32,411
Payables for professional services	13,354	10,401	-
Others	<u>42,076</u>	<u>44,086</u>	<u>53,902</u>
	<u>\$ 138,078</u>	<u>\$ 151,098</u>	<u>\$ 149,113</u>

20. PROVISIONS

	June 30, 2025	December 31, 2024	June 30, 2024
Warranties	<u>\$ 60,150</u>	<u>\$ 58,092</u>	<u>\$ 55,994</u>

The movements of the warranties were as follows:

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ 58,092	\$ 58,789
Additional provisions recognized (reversed)	2,373	(2,580)
Usage	(416)	(546)
Effect of foreign currency exchange differences	<u>101</u>	<u>331</u>
Balance at June 30	<u>\$ 60,150</u>	<u>\$ 55,994</u>

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local legislation on sale of goods. The estimate had been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

21. EQUITY

a. Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Shares authorized (in thousands of shares)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Authorized shares	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>343,427</u>	<u>343,427</u>	<u>343,427</u>
Issued shares	<u>\$ 3,434,273</u>	<u>\$ 3,434,273</u>	<u>\$ 3,434,273</u>

The issued ordinary shares with a par value of \$10 entitle the holders to the rights to vote and receive dividends.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as cash dividends, or <u>transferred to share capital</u>			
Share premium of issuance of ordinary shares	\$ 11,865	\$ 11,865	\$ 11,865
Treasury share transactions	4,483	4,483	4,483
Treasury shares transferred to employees	8,740	8,740	8,740
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition (Note 25)	<u>15,737</u>	<u>17,675</u>	<u>27,487</u>
	<u>\$ 40,825</u>	<u>\$ 42,763</u>	<u>\$ 52,575</u>

The capital surplus arising from shares issued in excess of par (including share premium from issuance of ordinary shares, and treasury share transactions) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital which however is limited to a certain percentage of the Company's capital surplus and once a year.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation (the "Articles"), where the Company made an earnings distribution or offsetting for deficits after the end of the half-year period in a fiscal year, the profit shall be first utilized for paying taxes and employees' compensation, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The partial or full distribution of dividends and bonuses by way of cash is authorized to be approved by the Company's board of directors and reported in the shareholder's meeting. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 22(g).

The Company's Articles also stipulate that the profit of the Company may be distributed by way of cash dividends and/or share dividends. The ratio for cash dividends shall not be less than 10% of the total dividend distribution. However, the Company may adjust the distributed ratio based on the current fund allocation.

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

The Company if the undistributed earnings from the previous period are insufficient to provide a net deduction of other equity accumulated in the previous period as a special reserve, it will be provided from the net income after tax for the current period, plus items other than net income after tax included in undistributed earnings for the current period.

The appropriation of earnings for 2024 and 2023, which was resolved by the Company's board of directors, was as follows:

	Second Half of 2024	First Half of 2024
Date of Board Resolution	March 6, 2025	August 13, 2024
Legal reserve	\$ <u>-</u>	\$ <u>2,418</u>
Special reserve	\$ <u>-</u>	\$ <u>(3,918)</u>
Cash dividends	\$ <u>58,383</u>	\$ <u>-</u>
Cash dividends per share (NT\$)	\$ 0.17	\$ -

	Second Half of 2023	First Half of 2023
Date of Board Resolution	April 18, 2024	August 3, 2023
Legal reserve	\$ <u>-</u>	\$ <u>4,835</u>
Special reserve	\$ <u>-</u>	\$ <u>(20,079)</u>
Cash dividends	\$ <u>58,383</u>	\$ <u>-</u>
Cash dividends per share (NT\$)	\$ 0.17	\$ -

The above cash dividend was resolved for distribution by the Board of Directors on March 6, 2025 and April 18, 2024, respectively, and the appropriation of the remaining earnings of 2024 and 2023 were approved at the shareholders' annual meetings on May 29, 2025 and June 7, 2024, respectively.

On August 4, 2025, the Board of Directors resolved not to distribute the earnings for the first half of 2025.

d. Other equity

Unrealized (loss) gain on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ (34,978)	\$ (31,165)
Recognized for the year		
Unrealized (loss) gain - equity instruments	<u>(15,080)</u>	<u>56,257</u>
Other comprehensive (loss) income recognized for the year	<u>(15,080)</u>	<u>56,257</u>
Cumulative unrealized (loss) gain of equity instruments transferred to retained earnings due to disposal	<u>(11)</u>	<u>-</u>
Balance at June 30	\$ <u>(50,069)</u>	\$ <u>25,092</u>

22. NET PROFIT

a. Operating revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
XPC	\$ 320,705	\$ 320,009	\$ 653,697	\$ 649,941
Air mattress and medical peripherals	74,460	91,637	152,321	184,347
Computer peripherals and components	<u>11,824</u>	<u>14,286</u>	<u>33,047</u>	<u>34,327</u>
	<u>\$ 406,989</u>	<u>\$ 425,932</u>	<u>\$ 839,065</u>	<u>\$ 868,615</u>

The Group's contract liabilities arising from sales of goods were \$15,992 thousand, \$14,148 thousand and \$13,661 thousand as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively. The change in contract liabilities mainly arises from the difference in the timing of customers' payment and satisfaction of performance obligation.

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Rental income	\$ 763	\$ 796	\$ 1,557	\$ 1,602
Others	<u>1,102</u>	<u>1,173</u>	<u>3,937</u>	<u>2,745</u>
	<u>\$ 1,865</u>	<u>\$ 1,969</u>	<u>\$ 5,494</u>	<u>\$ 4,347</u>

c. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net (loss) gain on foreign exchange	\$ (56,263)	\$ 9,288	\$ (29,800)	\$ 38,273
Net gain (loss) on financial instruments at FVTPL	172	497	(10,038)	1,750
Gain on disposal of property, plant and equipment	-	-	7	-
Others	<u>(320)</u>	<u>(309)</u>	<u>(698)</u>	<u>(597)</u>
	<u>\$ (56,411)</u>	<u>\$ 9,476</u>	<u>\$ (40,529)</u>	<u>\$ 39,426</u>

d. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 281	\$ 274	\$ 562	\$ 632
Interest on lease liabilities	<u>1,350</u>	<u>1,620</u>	<u>2,811</u>	<u>3,296</u>
	<u>\$ 1,631</u>	<u>\$ 1,894</u>	<u>\$ 3,373</u>	<u>\$ 3,928</u>

e. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
An analysis of depreciation by function				
Operating costs	\$ 4,100	\$ 2,863	\$ 7,979	\$ 5,780
Operating expenses	<u>11,788</u>	<u>11,535</u>	<u>23,205</u>	<u>22,660</u>
	<u>\$ 15,888</u>	<u>\$ 14,398</u>	<u>\$ 31,184</u>	<u>\$ 28,440</u>
An analysis of amortization by function				
Operating costs	\$ 2,431	\$ 2,166	\$ 3,230	\$ 5,880
Operating expenses	<u>4,215</u>	<u>5,449</u>	<u>8,432</u>	<u>10,900</u>
	<u>\$ 6,646</u>	<u>\$ 7,615</u>	<u>\$ 11,662</u>	<u>\$ 16,780</u>

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Salaries and bonuses	\$ 107,878	\$ 110,924	\$ 219,954	\$ 220,185
Post-employment benefits	7,349	6,757	14,464	13,951
Labor and health insurance	8,766	8,503	17,915	17,185
Other employee benefits	<u>5,431</u>	<u>5,454</u>	<u>10,831</u>	<u>9,551</u>
Total employee benefits expense	<u>\$ 129,424</u>	<u>\$ 131,638</u>	<u>\$ 263,164</u>	<u>\$ 260,872</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 14,763	\$ 17,127	\$ 31,321	\$ 35,274
Operating expenses	<u>114,661</u>	<u>114,511</u>	<u>231,843</u>	<u>225,598</u>
	<u>\$ 129,424</u>	<u>\$ 131,638</u>	<u>\$ 263,164</u>	<u>\$ 260,872</u>

g. Employees' compensation and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at the rates of 2% to 10% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company has resolved to propose an amendment to the Company's articles at the 2025 shareholders' meeting. The amendments explicitly stipulate the allocation that no less than of 20% of the compensation of employees as compensation distributions for non-executive employees. As the Company incurred a loss for the six months ended June 30, 2025, no provision was made for employee remuneration and directors' compensation. For the six months ended June 2024, the Company accrues employee compensation and the remuneration of directors at 2%, amounting to \$672 thousand each.

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

The estimated employees' compensation and remuneration of directors for 2024 and 2023, which were approved by Company's board of directors on March 6, 2025 and March 12, 2024, respectively, are as follows:

Amount

	For the Year Ended December 31	
	2024	2023
Compensation of employees	\$ 299	\$ 377
Remuneration of directors	299	377

As of the date the accompanying consolidated financial statements were authorized for issue, the accrued employee and director compensation of \$299 thousand each for the year ended December 2024 had not yet been distributed. The Company expect to resolve the distribution for the year ended December 2025 based on employee performance.

There was no difference between the actual amount of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2023.

Information on the employees' compensation and remuneration of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

23. INCOME TAX

a. Income tax recognized in profit or loss

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	\$ (24)	\$ 2,149	\$ 2,053	\$ 5,980
Adjustments for prior years	496	(350)	496	(350)
Income tax on				
unappropriated earnings	<u>28</u>	<u>157</u>	<u>28</u>	<u>157</u>
	<u>500</u>	<u>1,956</u>	<u>2,577</u>	<u>5,787</u>

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Deferred tax				
In respect of the current year	\$ (9,418)	\$ 3,799	\$ (16,380)	\$ 10,381
Adjustments for prior years	<u>-</u>	<u>46</u>	<u>8,023</u>	<u>46</u>
	<u>(9,418)</u>	<u>3,845</u>	<u>(8,357)</u>	<u>10,427</u>
Income tax (gain) expense recognized in profit or loss	<u>\$ (8,918)</u>	<u>\$ 5,801</u>	<u>\$ (5,780)</u>	<u>\$ 16,214</u>
				(Concluded)

b. Tax expense recognized in other comprehensive income (loss)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Deferred tax				
In respect of the current year				
- exchange differences on				
translating foreign				
operations	<u>\$ 11,613</u>	<u>\$ (1,081)</u>	<u>\$ 8,366</u>	<u>\$ (4,466)</u>

c. Income tax assessments

The income tax returns of the Company through 2022 have been assessed by the tax authorities.

24. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic (loss) earnings per share	<u>\$ (0.16)</u>	<u>\$ -</u>	<u>\$ (0.15)</u>	<u>\$ 0.07</u>
Diluted (loss) earnings per share	<u>\$ (0.16)</u>	<u>\$ -</u>	<u>\$ (0.15)</u>	<u>\$ 0.07</u>

The (loss) profit and the weighted-average shares of ordinary shares to calculate (loss) earnings per share were as follows:

Net (Loss) Profit for the Year

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
(Loss) profit used in the computation of basic and diluted (loss) earnings per share	<u>\$ (55,541)</u>	<u>\$ 1,436</u>	<u>\$ (51,034)</u>	<u>\$ 24,180</u>

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Weighted-average number of ordinary shares used in computation of basic (loss) earnings per share	343,427	343,427	343,427	343,427
Effect of potentially dilutive ordinary shares				
Employees' compensation or bonuses issued to employees	<u>-</u>	<u>3</u>	<u>-</u>	<u>40</u>
Weighted average number of ordinary shares used in the computation of diluted (loss) earnings per share	<u>343,427</u>	<u>343,430</u>	<u>343,427</u>	<u>343,467</u>

The Group may settle the compensation or bonuses paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

In calculating the net loss per share for the six months ended June 30, 2025, the potential ordinary shares arising from employee remuneration were excluded, as their inclusion would have resulted in an anti-dilutive effect.

25. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On February 19, 2024, the subsidiary Carilex Medical Inc. submitted documents for registration in the Emerging Stock Market, therefore, the Company legally transferred 1,000 shares of Carilex Medical Inc. to the Investor Protection Center. The above transaction was accounted for as an equity-method transaction, since the Group did not cease to have control over the subsidiary.

	Carilex Medical Inc.
Consideration received	\$ 49
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>-</u>
Differences recognized from equity transactions	<u>\$ 49</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	<u>\$ 49</u>

In 2025, the Company purchased approximately 123,000 shares of Carilex Medical Inc., increasing its ownership interest from 71.56% to 72.17%. This transaction was accounted for under the equity method, since the Company did not cease to have control over the subsidiary.

	Carilex Medical Inc.
Consideration paid	\$ (4,739)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>2,801</u>
Differences recognized from equity transactions	<u>\$ (1,938)</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	<u>\$ (1,938)</u>

26. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

Key management personnel of the Group review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, and the number of new shares issued or repurchased, the amount of new debt issued or existing debt redeemed.

27. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management believes the carrying amount of the financial assets not carried at fair value is approximately equal to their fair value.

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

1) Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	\$ -	\$ 106	\$ -	\$ 106
Foreign bonds	5,811	-	-	5,811
Domestic listed shares	<u>1,416</u>	<u>-</u>	<u>-</u>	<u>1,416</u>
	<u>\$ 7,227</u>	<u>\$ 106</u>	<u>\$ -</u>	<u>\$ 7,333</u>

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Domestic listed shares	\$ 92,608	\$ 54,162	\$ -	\$ 146,770
Domestic unlisted shares	-	-	1,115	1,115
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>99,164</u>	<u>99,164</u>
	<u>\$ 92,608</u>	<u>\$ 54,162</u>	<u>\$ 100,279</u>	<u>\$ 247,049</u>
Financial liabilities at FVTPL				
Derivatives	<u>\$ -</u>	<u>\$ 5,937</u>	<u>\$ -</u>	<u>\$ 5,937</u>
				(Concluded)

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	\$ -	\$ 3,103	\$ -	\$ 3,103
Domestic listed shares	<u>1,828</u>	<u>-</u>	<u>-</u>	<u>1,828</u>
	<u>\$ 1,828</u>	<u>\$ 3,103</u>	<u>\$ -</u>	<u>\$ 4,931</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 87,519	\$ 69,921	\$ -	\$ 157,440
Domestic unlisted shares	-	-	5,535	5,535
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>99,164</u>	<u>99,164</u>
	<u>\$ 87,519</u>	<u>\$ 69,921</u>	<u>\$ 104,699</u>	<u>\$ 262,139</u>

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives	\$ -	\$ 1,005	\$ -	\$ 1,005
Domestic listed shares	<u>2,910</u>	<u>-</u>	<u>-</u>	<u>2,910</u>
	<u>\$ 2,910</u>	<u>\$ 1,005</u>	<u>\$ -</u>	<u>\$ 3,915</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 105,330	\$ 111,308	\$ -	\$ 216,638
Domestic unlisted shares	-	-	5,208	5,208
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>100,376</u>	<u>100,376</u>
	<u>\$ 105,330</u>	<u>\$ 111,308</u>	<u>\$ 105,584</u>	<u>\$ 322,222</u>
Financial liabilities at FVTPL				
Derivatives	<u>\$ -</u>	<u>\$ 1,225</u>	<u>\$ -</u>	<u>\$ 1,225</u>

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2025 and 2024.

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

For the six months ended June 30, 2025

	Financial Assets at FVTOCI Equity Instruments
<u>Financial assets</u>	
Balance at January 1	\$ 104,699
Recognized in other comprehensive income	<u>(4,420)</u>
Balance at June 30	<u>\$ 100,279</u>

For the six months ended June 30, 2024

	Financial Assets at FVTOCI Equity Instruments
<u>Financial assets</u>	
Balance at January 1	\$ 107,646
Recognized in other comprehensive income	<u>(2,062)</u>
Balance at June 30	<u>\$ 105,584</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Derivatives - foreign exchange forward contracts	Discounted cash flow method: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Privately placed stocks of domestic listed companies	The fair value is calculated based on the observable stock prices and the liquidity discount at the end of the reporting period. The liquidity discount was 10% as of June 30, 2025, December 31, 2024 and June 30, 2024.

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

The fair values of domestic and foreign unlisted equity securities were determined using asset approach and income approach. In this approach, the net asset value of each share is evaluated by reference to financial information of the Company, observable information of market prices, and by considering liquidity discounts, 20%-30% as of the six months ended June 30, 2025, December 31, 2024 and June 30, 2024. The lower the liquidity discount is, the higher the fair value of the investments.

c. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 7,333	\$ 4,931	\$ 3,915
Financial assets at amortized cost (Note 1)	1,112,276	1,189,532	1,480,023
Financial assets at FVTOCI	247,049	262,139	322,222
<u>Financial liabilities</u>			
Financial liabilities at FVTPL	5,937	-	1,225
Amortized cost (Note 2)	338,796	348,138	379,557

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, trade receivables, other receivables, restricted bank deposits and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term loans, trade payables, other payables and other non-current liabilities.

d. Financial risk management objectives and policies

The major financial instruments of the Group include trade receivables, accounts payable and short-term borrowings. The Group's finance department provides services to the business units, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk, and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the market risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Sensitivity analysis is an estimate of the influence of the reasonably possible range of the interest rate and currency fluctuation in a year. Sensitivity analysis of interest rate and currency fluctuation was as follows:

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including the foreign currency denominated monetary assets and monetary liabilities that were eliminated upon consolidation) at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group is mainly affected by the fluctuations of the U.S. dollar, Japanese yen, Euro and Great British Pound.

The table below is the analysis of the sensitivity of the Group's foreign currencies to a 5% increase or decrease in the relevant currency rate on the balance sheet date. The 5% sensitivity rate is the currency risk factor used in the internal report to management; it is the rate that management believes represents the reasonably possible range of the currency fluctuation. The sensitivity analysis included only outstanding foreign-currency denominated monetary items and assumed their translation at the end of the reporting period for a 5% change in foreign currency rates.

The table below shows the amount of change in income before tax when the Group's foreign currencies increase by 5% against the relevant currency. When the Group's foreign increases fall 5% against the relevant currency, the impact on income before tax is the negative number of the same amount.

	U.S. Dollar		Japanese Yen		Euro		Pound Sterling	
	For the Six Months Ended June 30		For the Six Months Ended June 30		For the Six Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024	2025	2024	2025	2024
Profit or loss	\$ (9,037)	\$(24,075)	\$ (3,432)	\$ (1,133)	\$ (9,836)	\$(10,087)	\$ (2,051)	\$ (1,085)

The above effects are mainly derived from the Group's outstanding cash in the bank, short-term loans, receivables and payables, which did not have cash flows hedged and which were valued in U.S. dollars, Japanese yen, Euros and Great British Pound on the balance sheet date.

b) Interest rate risk

The carrying amounts of the Group's exposures to interest rates on financial assets and financial liabilities are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
Financial assets	\$ 357,984	\$ 391,622	\$ 787,587
Cash flow interest rate risk			
Financial assets	533,965	583,469	478,221
Financial liabilities	51,928	52,135	52,190

Sensitivity analysis

The sensitivity analyses below have been determined the exposure to interest rates risk for non-derivative instruments at the end of the reporting period. Increase or decrease of 25-basis point is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's profit for the six months ended June 30, 2025 and 2024 would increase/decrease by \$603 thousand and \$533 thousand, respectively. This is mainly attributable to the Group's exposure to floating rates on demand deposits and short-term borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on contractual obligations resulting in a financial loss to the Group. The maximum credit exposure of the aforementioned financial instruments is equal to their carrying amounts recognized in the consolidated balance sheet as of the balance sheet date.

The Group evaluates its main customers' credit rating by the use of accessible financial information and transaction records with those customers. The Group keeps an eye on credit exposure and customers' credit ratings.

The Group's credit risk is mainly focused on its main customers. As of June 30, 2025, December 31, 2024 and June 30, 2024, the percent of the Group's total receivables from its main customers were 28%, 35% and 30%, respectively.

3) Liquidity risk

The Group closely monitors operations and alleviates the effects of fluctuations in cash flows by managing and maintaining sufficient cash and cash equivalents. The management monitors the usage of the bank's financing limit and ensures that the terms of loan agreements are followed.

Bank loans are sources of liquidity for the Group. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's unused bank financing limits were \$854,100 thousand, \$958,495 and \$1,176,150 thousand, respectively.

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

June 30, 2025

	Weighted- average Effective Interest Rate (%)	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 Year to 5 Years	5+ Years
<u>Financial liabilities - non-derivative</u>						
Non-interest bearing liabilities	-	\$ 67,073	\$ 79,667	\$ 201,733	\$ -	\$ -
Variable interest rate liabilities	2.14	50,115	54	242	1,656	-
Lease liabilities	2.94	<u>5,649</u>	<u>11,559</u>	<u>40,224</u>	<u>134,671</u>	<u>-</u>
		<u>\$ 122,837</u>	<u>\$ 91,280</u>	<u>\$ 242,199</u>	<u>\$ 136,327</u>	<u>\$ -</u>

December 31, 2024

	Weighted- average Effective Interest Rate (%)	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 Year to 5 Years	5+ Years
<u>Financial liabilities - non-derivative</u>						
Non-interest bearing liabilities	-	\$ 74,675	\$ 77,962	\$ 143,366	\$ -	\$ -
Variable interest rate liabilities	2.23	50,117	55	249	1,876	-
Lease liabilities	3.07	<u>5,567</u>	<u>11,231</u>	<u>42,710</u>	<u>159,046</u>	<u>-</u>
		<u>\$ 130,359</u>	<u>\$ 89,248</u>	<u>\$ 186,325</u>	<u>\$ 160,922</u>	<u>\$ -</u>

June 30, 2024

	Weighted- average Effective Interest Rate (%)	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 Year to 5 Years	5+ Years
<u>Financial liabilities - non-derivative</u>						
Non-interest bearing liabilities	-	\$ 73,950	\$ 98,927	\$ 223,923	\$ -	\$ -
Variable interest rate liabilities	2.00	50,105	53	240	1,962	-
Lease liabilities	3.00	<u>5,360</u>	<u>10,720</u>	<u>48,049</u>	<u>165,678</u>	<u>10,952</u>
		<u>\$ 129,415</u>	<u>\$ 109,700</u>	<u>\$ 272,212</u>	<u>\$ 167,640</u>	<u>\$ 10,952</u>

28. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
<u>Other parties</u>	

Ares International Corporation The chairman is a second degree relative of the Company's chairman

b. Prepayments

Related Party Category	June 30, 2025	December 31, 2024	June 30, 2024
Other parties	<u>\$ 595</u>	<u>\$ 732</u>	<u>\$ 1,198</u>

c. Operating expenses

Related Party Category	For the Six Months Ended June 30	
	2025	2024
Other parties	<u>\$ 439</u>	<u>\$ 439</u>

d. Remuneration of key management personnel

The remunerations of directors and key executives were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 6,377	\$ 6,622	\$ 15,207	\$ 16,550
Post-employment benefits	<u>154</u>	<u>131</u>	<u>317</u>	<u>262</u>
	<u>\$ 6,531</u>	<u>\$ 6,753</u>	<u>\$ 15,524</u>	<u>\$ 16,812</u>

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

29. PLEDGED ASSETS

The following assets were provided as collateral for bank guarantee and loan commitment were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Restricted bank deposits	\$ 43,333	\$ 43,333	\$ 43,333
Transportation equipment	<u>1,114</u>	<u>1,380</u>	<u>1,657</u>
	<u>\$ 44,447</u>	<u>\$ 44,713</u>	<u>\$ 44,990</u>

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

(Foreign Currencies in Thousands)

	June 30, 2025			December 31, 2024			June 30, 2024		
	Foreign Currency	Exchange Rate	Carrying Amount	Foreign Currency	Exchange Rate	Carrying Amount	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>									
Monetary items									
USD	\$ 10,905	29.30	\$ 319,529	\$ 10,228	32.785	\$ 335,311	\$ 19,385	32.45	\$ 629,039
EUR	5,744	34.35	197,303	8,033	34.14	274,262	5,874	34.71	203,901
JPY	337,474	0.2034	68,642	85,149	0.2099	17,873	112,369	0.2017	22,665
GBP	1,037	40.16	41,663	711	41.19	29,306	551	41.04	22,599
<u>Financial liabilities</u>									
Monetary items									
USD	4,737	29.30	138,796	3,913	32.785	128,294	4,547	32.45	147,535
EUR	17	34.35	591	10	34.14	330	62	34.71	2,156
GBP	16	40.16	648	3	41.19	112	22	41.04	899

For the Group's realized and unrealized foreign exchange gains (losses) for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, refer to Note 22. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions.

31. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and b. investees

- 1) Financing provided to others: None;
- 2) Endorsements/guarantees provided: None;
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 1 (attached);
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 2 (attached);
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 3 (attached);
- 6) Information on investees: Table 4 (attached);
- 7) Intercompany relationships and significant intercompany transactions: Table 6 (attached).

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 5 (attached);
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None;
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period:

Seller Company	Related Party	Sales		Trade Receivables	
		Amount	% of Sales	Amount	% of Trade Receivables
Shuttle Inc.	S.C.M.	\$ 6,472	1.60	\$ 4,829	2.36

- c) The amount of property transactions and the amount of the resultant gains or losses: None;
- d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None;
- e) The highest period balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None;
- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services: None.

32. SEGMENT INFORMATION

The following was an analysis of the Group's revenue and results from continuing operations for the six months ended June 30, 2025 and 2024 by reportable segments:

Segment revenue and results

	Computer Equipment	Medical Devices	Adjustments and Elimination	Total
For the six months ended <u>June 30, 2025</u>				
Segment revenue	<u>\$ 687,774</u>	<u>\$ 152,321</u>	<u>\$ (1,030)</u>	<u>\$ 839,065</u>
Segment profit or loss	<u>\$ (32,924)</u>	<u>\$ 4,535</u>	<u>\$ (3,053)</u>	\$ (31,442)
Interest revenue				8,223
Share of profit or loss from associates and joint ventures recognized under the equity method				(71)
Revenue				5,494
Financial costs				(3,373)
Other gains and losses				<u>(40,529)</u>
Profit before tax				<u>\$ (61,698)</u>
Identifiable assets	<u>\$ 1,179,082</u>	<u>\$ 23,126</u>	<u>\$ -</u>	\$ 1,202,208
Investments accounted for using the equity method				33,685
Assets				<u>3,052,240</u>
Total assets				<u>\$ 4,288,133</u>
For the six months ended <u>June 30, 2024</u>				
Segment revenue	<u>\$ 684,801</u>	<u>\$ 184,347</u>	<u>\$ (533)</u>	<u>\$ 868,615</u>
Segment profit or loss	<u>\$ (16,324)</u>	<u>\$ 3,281</u>	<u>\$ (4,335)</u>	\$ (17,378)
Interest revenue				18,110
Share of profit or loss from associates and joint ventures recognized under the equity method				30
Revenue				4,347
Financial costs				(3,928)
Other gains and losses				<u>39,426</u>
Profit before tax				<u>\$ 40,607</u>
Identifiable assets	<u>\$ 1,221,761</u>	<u>\$ 25,699</u>	<u>\$ -</u>	\$ 1,247,460
Investments accounted for using the equity method				37,807
Assets				<u>3,344,296</u>
Total assets				<u>\$ 4,629,563</u>

TABLE 1

SHUTTLE INC. AND SUBSIDIARIES

**SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2025
(In Thousands of New Taiwan Dollars)**

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2025				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Shuttle Inc.	<u>Shares</u>							
	Motech Industries Inc.	-	Financial assets at FVTOCI - current	400,730	\$ 7,053	0.10	\$ 7,053	
	InterServ International Inc.	-	Financial assets at FVTOCI - non-current	1,114,834	28,540	4.77	28,540	
	Lutz Yonson Holdings Company Limited	-	Financial assets at FVTOCI - non-current	1,779	99,164	15.10	99,164	
	<u>Bonds</u>							
	TSMC Arizona Corp USD-denominated foreign bonds	-	Financial assets at FVTPL - non-current	200	5,811	-	5,811	
Yong Jhao Innovation Investment Co., Ltd.	<u>Shares</u>							
	Yao Sheng Electronic Co., Ltd.	-	Financial assets at FVTPL - current	20,000	1,416	0.03	1,416	
	Motech Industries Inc.	-	Financial assets at FVTOCI - current	465,110	8,186	0.12	8,186	
	Ares International Corporation	Chairman has a second-degree kinship to the Company's chairman	Financial assets at FVTOCI - current	150,000	8,370	0.32	8,370	
	Yao Sheng Electronic Co., Ltd.	-	Financial assets at FVTOCI - non-current	850,000	54,162	1.28	54,162	
	I-See Vision Technology Inc.	-	Financial assets at FVTOCI - non-current	528,411	240	2.36	240	
	Viware Ulife Co., Ltd.	-	Financial assets at FVTOCI - non-current	400,000	875	10.00	875	
	Shui-Mu International Co., Ltd.	-	Financial assets at FVTOCI - non-current	3,330,000	40,459	4.99	40,459	

Note 1: Disclosure of the marketable securities held above is decided by the Company based on the materiality principle.

Note 2: Information on investees is set out in Tables 4 and 5.

TABLE 2

SHUTTLE INC. AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Shuttle Inc.	S.C.H.	Subsidiary of Gold Fountain Limited	Sale	\$ (216,906)	(54)	OA 120 days	-	-	\$ 102,357	50	
S.C.H.	Shuttle Inc.	Parent company of Gold Fountain Limited	Purchase	216,906	83	OA 120 days	-	-	(102,357)	(96)	
Shuttle Inc.	S.C.G.	Subsidiary of Gold Fountain Limited	Sale	(100,118)	(25)	OA 120 days	-	-	63,851	31	
S.C.G.	Shuttle Inc.	Parent company of Gold Fountain Limited	Purchase	100,118	78	OA 120 days	-	-	(63,851)	(98)	

Note: The amount was eliminated upon consolidation.

TABLE 3

SHUTTLE INC. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Shuttle Inc.	S.C.H.	Subsidiary of Gold Fountain Limited	\$ 102,357	3.90	\$ -	-	\$ 59,790	\$ -

TABLE 4

SHUTTLE INC. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Shuttle Inc.	Holco (BVI) Inc.	B.V.I.	Investment holding company	\$ 285,137	\$ 285,137	923	100.00	\$ 237,438	\$ (7,334)	\$ (7,334)	Notes 1 and 3
	Gold Fountain Limited	Cayman Islands	Investment holding company	337,041	337,041	10,000,000	100.00	194,565	21,088	41,019	
	Fuxing Biomedical Co., Ltd.	2F., No. 30, Ln. 76, Ruignang Rd., Neihu Dist., Taipei City	Providing elderly care services and selling medical peripherals	100,000	100,000	10,000,000	100.00	30,204	217	217	
	Liigen Inc.	6F., No. 32, Ln. 76, Ruignang Rd., Neihu Dist., Taipei City	Selling and maintaining computers and peripherals	15,000	15,000	1,500,000	100.00	748	(9)	(9)	
	Yong Jhao Innovation Investment Co., Ltd.	No. 30, Ln. 76, Ruiguang Rd., Neihu Dist., Taipei City	Investment holding company	379,107	379,107	16,350,000	100.00	446,519	(6,248)	(10,019)	Notes 1, 2 and 4
	Big Ten Investment Consulting Co., Ltd.	No. 30, Ln. 76, Ruiguang Rd., Neihu Dist., Taipei City	Investment holding company	182,503	182,503	10,000,000	100.00	111,240	(597)	(1,291)	Notes 1, 2 and 4
	Carilex Medical Inc.	No. 77, Keji 1st Rd., Guishan Dist., Taoyuan City	Selling and maintaining medical peripherals	21,814	21,814	1,270,602	6.26	27,041	(10,613)	(1,089)	Note 1
Holco (BVI) Inc.	S.H.K.	Unit 1405-1406, Dominion Centre, 43-59 Queen’s Road East, Wanchai	Selling and maintaining computers and peripherals	262,218	262,218	8,001,300	100.00	193,847	(8,158)	(8,158)	
Gold Fountain Limited	S.C.G.	17068 EVERGREEN PL, CITY OF INDUSTRY, CA 91745 U.S.A.	Selling and maintaining computers and peripherals	186,662	186,662	30,000	100.00	108,746	24,257	24,257	Note 1
	S.C.H.	FRITZ-STRASSMANN STR. 5 D-25337 ELMSHORN, GERMANY	Selling and maintaining computers and peripherals	171,495	171,495	-	100.00	139,523	(4,236)	(4,236)	Note 1
	S.C.J.	2F Murakami Bldg., 1-8-3 Ojima Koto-ku Tokyo, 136-0072 Japan	Selling and maintaining computers and peripherals	34,658	34,658	2,000	100.00	34,938	2,069	2,069	
Yong Jhao Innovation Investment Co., Ltd.	Carilex Medical Inc.	No. 77, Keji 1st Rd., Guishan Dist., Taoyuan City	Selling and maintaining medical peripherals	146,035	146,035	11,288,829	55.60	170,907	(10,613)	(5,900)	Note 1
Big Ten Investment Consulting Co., Ltd.	Carilex Medical Inc.	No. 77, Keji 1st Rd., Guishan Dist., Taoyuan City	Selling and maintaining medical peripherals	49,693	44,953	2,092,692	10.31	31,692	(10,613)	(1,066)	Note 1
Carilex Medical Inc.	Carilex Medical Ltd	Unit B3 Chaucer Business Park, Dittions Road, Polegate, BN26 6QH	Selling and maintaining medical peripherals	24,038	24,038	600,000	100.00	21,193	302	972	Note 3
	Carilex Medical USA, Inc.	17068 EVERGREEN PL, CITY OF INDUSTRY, CA 91745 U.S.A.	Selling and maintaining medical peripherals	2,787	2,787	100,000	100.00	(12,243)	5,422	5,295	Notes 1 and 3
	Carilex Medical Technologies GmbH	FRITZ-STRASSMANN STR. 5 D-25337 ELMSHORN, GERMANY	Selling and maintaining medical peripherals	6,341	6,341	-	100.00	10,283	1,584	252	Note 3

Note 1: The recognition of investment gains (losses) was based on the investee’s reviewed financial statements.

Note 2: The difference between the subsidiaries’ net value and the Company’s acquisition costs should be amortized monthly.

Note 3: Unrealized gain (loss) on transactions with subsidiaries was considered.

Note 4: Unrealized gain (loss) on sidestream transactions among subsidiaries was considered.

Note 5: The information on investments in mainland China is set out in Table 5.

Note 6: The amount was eliminated upon consolidation.

TABLE 5

SHUTTLE INC. AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(New Taiwan Dollars and Foreign Currencies in Thousands)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 3)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
S.C.M.	Selling and maintaining computers and peripheral products	\$ 55,617	(Note 1)	\$ 55,617	\$ -	\$ -	\$ 55,617	\$ (692)	100	\$ (692)	\$ 4,642	\$ -
Shandong Lixin Pension Industry Development Co., Ltd.	Elder care service and peripheral products	91,090	(Note 2)	-	-	-	-	(141)	50	(71)	33,685	-

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025 (Note 5)	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
\$375,336	US\$14,486	\$2,153,493

- Note 1: Investments were through a holding company registered in a third region.
- Note 2: Investments were through S.H.K.
- Note 3: Investment amounts in other investee companies were calculated based on unreviewed financial statements for the same period.
- Note 4: The limit stated in the Investment Commission’s regulation, “Investment or Technical Cooperation in Mainland China Adjustment Rule”, is the higher of the Company’s net asset value or 60% of its consolidated net asset value.
- Note 5: The amount included original investment amounts of \$7,621 thousand, \$21,319 thousand, \$43,024 thousand, \$215,745 thousand and \$32,010 thousand which were not returned by the respective liquidated companies, Shuttle Computer (Shanghai) Incorporation Limited, Shuttle Technology (Shenzhen) Ltd., KAKI, Shuttle Information Technology (Sip) Ltd and S.C.Q.
- Note 6: The amount was eliminated upon consolidation.

TABLE 6

SHUTTLE INC. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			% to Total Sales or Assets
				Financial Statement Account	Amount	Payment Terms	
0	Shuttle Inc.	S.C.H.	a	Sales revenue	\$ 216,906	OA 120 days	26
		S.C.H.	a	Trade receivables from related parties	102,357	OA 120 days	2
		S.C.G.	a	Trade receivables from related parties	63,851	OA 120 days	1
		S.C.G.	a	Sales revenue	100,118	OA 120 days	12
		S.C.J.	a	Trade receivables from related parties	10,243	OA 120 days	0
		S.C.J.	a	Sales revenue	23,247	OA 120 days	3
1	Carilex Medical Inc.	Carilex Medical USA, Inc.	c	Trade receivables from related parties	45,724	OA 90 days	1
		Carilex Medical USA, Inc.	c	Technical service expense	26,348	OA 90 days	3

Note 1: Related party transactions are divided into three categories (based on the flow of the transaction and the relationship between the parties) as follows:

- a. From the Company to subsidiaries.
- b. From the subsidiary to the Company.
- c. Between subsidiaries.

Note 2: The table discloses transaction amounts or balances of \$10,000 thousand and above, while the counterparty is not otherwise specified.

Note 3: The amount was eliminated upon consolidation.