

ENERGY TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Financial Statements**

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

Address: 8F.-3, No. 8, Taiyuan 2nd St., Zhubei City, Hsinchu County, Taiwan
Telephone: 886-3-552-5766

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

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of inergy Technology Inc. :

Introduction

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

Scope of Review

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

Conclusion

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



The engagement partners on the reviews resulting in this independent auditors' review report are Yang, Yun-Chu and Chen, Ya-Ling.

KPMG

Taipei, Taiwan (Republic of China)
November 5, 2025

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity		September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
11xx	Current assets:							21xx	Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 491,708	31	759,618	42	717,010	43	2100	Short-term borrowings (notes 6(i) and (v))	\$ 84,912	5	74,516	4	40,000	2
1172	Notes and accounts receivable, net (notes 6(c) and (p))	247,683	15	205,892	11	158,527	10	2130	Contract liabilities-current (note 6(p))	1,460	-	697	-	210	-
1200	Other receivables	227	-	1,904	-	2,217	-	2170	Notes and accounts payable	169,032	11	198,354	11	151,393	9
130x	Inventories (note 6(d))	281,038	17	280,991	16	221,570	13	2200	Other payables (notes 6(q) and 9)	71,734	4	46,198	3	41,992	3
1476	Other current financial assets (notes 6(h) and 9)	2,066	-	124,208	7	122,331	7	2230	Current tax liabilities	-	-	15,188	1	16,152	1
1479	Other current assets (notes 6(h) and 9)	20,965	2	14,291	1	20,396	2	2280	Lease liabilities-current (notes 6(j) and (v))	3,681	-	3,025	-	3,172	-
	Total current assets	<u>1,043,687</u>	<u>65</u>	<u>1,386,904</u>	<u>77</u>	<u>1,242,051</u>	<u>75</u>	2320	Long term liabilities, current portion (notes 6(i) and 8)	15,004	1	14,780	1	14,706	1
15xx	Non-current assets:							2399	Other current liabilities (notes 6(i) and 9)	36,203	2	36,298	2	35,648	2
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b))	37,305	2	36,405	2	31,500	2		Total current liabilities	<u>382,026</u>	<u>23</u>	<u>389,056</u>	<u>22</u>	<u>303,273</u>	<u>18</u>
1600	Property, plant and equipment (notes 6(e), 8 and 9)	313,139	19	320,740	18	314,087	19	25xx	Non-current liabilities:						
1755	Right-of-use assets (note 6(f))	6,564	-	6,972	-	7,898	-	2540	Long-term borrowings (notes 6(i) and 8)	154,401	10	165,682	9	169,405	11
1780	Intangible assets (note 6(g))	7,922	-	7,706	-	8,079	-	2550	Non-current provisions (notes 6(k) and 9)	41,358	3	-	-	-	-
1840	Deferred tax assets	28,268	2	15,212	1	25,113	1	2570	Deferred tax liabilities	3,652	-	3,652	-	-	-
1920	Guarantee deposits paid (notes 8 and 9)	136,347	9	12,684	1	12,497	1	2580	Lease liabilities-non-current (notes 6(j) and (v))	3,089	-	4,134	-	4,901	-
1980	Other non-current financial assets (notes 6(h) and 8)	14,377	1	15,424	1	14,911	1	2645	Guarantee deposits received (note 9)	-	-	35,000	2	35,000	2
1995	Other non-current assets (note 6(h))	25,429	2	3,907	-	8,925	1		Total non-current liabilities	<u>202,500</u>	<u>13</u>	<u>208,468</u>	<u>11</u>	<u>209,306</u>	<u>13</u>
	Total non-current asset	<u>569,351</u>	<u>35</u>	<u>419,050</u>	<u>23</u>	<u>423,010</u>	<u>25</u>	2xxx	Total liabilities	<u>584,526</u>	<u>36</u>	<u>597,524</u>	<u>33</u>	<u>512,579</u>	<u>31</u>
								31xx	Equity (notes 6(b) and (n)):						
								3110	Ordinary shares	457,200	28	457,200	25	457,200	28
								3200	Capital surplus	570,003	35	570,003	32	570,003	34
								3300	Retained earnings	42,674	3	185,320	10	134,307	8
								3400	Other equity	(2,470)	-	(4,093)	-	(9,028)	(1)
								3500	Treasury shares	(38,895)	(2)	-	-	-	-
								3xxx	Total equity	<u>1,028,512</u>	<u>64</u>	<u>1,208,430</u>	<u>67</u>	<u>1,152,482</u>	<u>69</u>
1xxx	Total assets	<u>\$ 1,613,038</u>	<u>100</u>	<u>1,805,954</u>	<u>100</u>	<u>1,665,061</u>	<u>100</u>	2-3xxx	Total liabilities and equity	<u>\$ 1,613,038</u>	<u>100</u>	<u>1,805,954</u>	<u>100</u>	<u>1,665,061</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

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

ENERGY TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the three months and nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

	For the three months ended September 30				For the nine months ended September 30				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Operating revenue (note 6(p))								
	\$	354,968	100	282,643	100	990,986	100	774,889	100
5000	Operating costs (notes 6(d), (e), (f), (l), (q) and 12)								
		<u>272,296</u>	<u>77</u>	<u>199,030</u>	<u>71</u>	<u>743,695</u>	<u>75</u>	<u>532,654</u>	<u>69</u>
5900	Gross profit from operations								
		<u>82,672</u>	<u>23</u>	<u>83,613</u>	<u>29</u>	<u>247,291</u>	<u>25</u>	<u>242,235</u>	<u>31</u>
6000	Operating expenses (notes 6(e), (f), (j), (k), (l), (q), 7 and 12):								
6100	Selling expenses	11,834	3	11,643	4	35,231	4	31,931	4
6200	Administrative expenses	19,940	6	19,850	7	107,405	11	54,519	7
6300	Research and development expenses	<u>28,936</u>	<u>8</u>	<u>25,737</u>	<u>9</u>	<u>83,018</u>	<u>8</u>	<u>70,470</u>	<u>9</u>
	Total operating expenses	<u>60,710</u>	<u>17</u>	<u>57,230</u>	<u>20</u>	<u>225,654</u>	<u>23</u>	<u>156,920</u>	<u>20</u>
6900	Net operating income								
		<u>21,962</u>	<u>6</u>	<u>26,383</u>	<u>9</u>	<u>21,637</u>	<u>2</u>	<u>85,315</u>	<u>11</u>
7000	Non-operating income and expenses (notes 6(b), (j) and (r)):								
7100	Interest income	1,069	-	5,783	2	6,054	1	15,851	2
7010	Other income	140	-	720	-	1,294	-	1,356	-
7020	Other gains and losses	13,861	4	(17,392)	(6)	(90,520)	(9)	27,388	3
7050	Finance costs	<u>(1,427)</u>	<u>-</u>	<u>(1,184)</u>	<u>-</u>	<u>(3,748)</u>	<u>-</u>	<u>(3,493)</u>	<u>-</u>
	Total non-operating income and expenses	<u>13,643</u>	<u>4</u>	<u>(12,073)</u>	<u>(4)</u>	<u>(86,920)</u>	<u>(8)</u>	<u>41,102</u>	<u>5</u>
7900	Income (loss) before tax								
		35,605	10	14,310	5	(65,283)	(6)	126,417	16
7950	Less: Income tax (benefits) expenses (note 6(m))								
		<u>7,121</u>	<u>2</u>	<u>2,862</u>	<u>1</u>	<u>(14,077)</u>	<u>(1)</u>	<u>25,013</u>	<u>3</u>
8000	Net (loss) income								
		<u>28,484</u>	<u>8</u>	<u>11,448</u>	<u>4</u>	<u>(51,206)</u>	<u>(5)</u>	<u>101,404</u>	<u>13</u>
8300	Other comprehensive income (notes 6(b) and (n)):								
8310	Components of other comprehensive income that will not be reclassified to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	2,475	1	(3,240)	(1)	900	-	(1,431)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	<u>2,475</u>	<u>1</u>	<u>(3,240)</u>	<u>(1)</u>	<u>900</u>	<u>-</u>	<u>(1,431)</u>	<u>-</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	(444)	-	(113)	-	723	-	(581)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	<u>(444)</u>	<u>-</u>	<u>(113)</u>	<u>-</u>	<u>723</u>	<u>-</u>	<u>(581)</u>	<u>-</u>
8300	Other comprehensive income								
		<u>2,031</u>	<u>1</u>	<u>(3,353)</u>	<u>(1)</u>	<u>1,623</u>	<u>-</u>	<u>(2,012)</u>	<u>-</u>
8500	Total comprehensive income								
	\$	<u><u>30,515</u></u>	<u><u>9</u></u>	<u><u>8,095</u></u>	<u><u>3</u></u>	<u><u>(49,583)</u></u>	<u><u>(5)</u></u>	<u><u>99,392</u></u>	<u><u>13</u></u>
	Profit (loss) attributable to:								
8610	Owners of parent	<u><u>28,484</u></u>	<u><u>8</u></u>	<u><u>11,448</u></u>	<u><u>4</u></u>	<u><u>(51,206)</u></u>	<u><u>(5)</u></u>	<u><u>101,404</u></u>	<u><u>13</u></u>
	Comprehensive income attributable to:								
8710	Owners of parent	<u><u>30,515</u></u>	<u><u>9</u></u>	<u><u>8,095</u></u>	<u><u>3</u></u>	<u><u>(49,583)</u></u>	<u><u>(5)</u></u>	<u><u>99,392</u></u>	<u><u>13</u></u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(o))								
9750	Basic earnings per share								
	\$	<u><u>0.62</u></u>		<u><u>0.25</u></u>		<u><u>(1.12)</u></u>		<u><u>2.22</u></u>	
9850	Diluted earnings per share								
	\$	<u><u>0.62</u></u>		<u><u>0.25</u></u>		<u><u>(1.12)</u></u>		<u><u>2.21</u></u>	

See accompanying notes to consolidated financial statements.

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

INERGY TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Other equity					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interests	Treasury shares	Total equity
Balance at January 1, 2024	\$ 457,200	594,692	23,867	6,027	24,040	53,934	553	(7,569)	(7,016)	-	1,098,810
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	1,631	-	(1,631)	-	-	-	-	-	-
Special reserve	-	-	-	989	(989)	-	-	-	-	-	-
Cash dividends	-	(24,689)	-	-	(21,031)	(21,031)	-	-	-	-	(45,720)
Net income	-	-	-	-	101,404	101,404	-	-	-	-	101,404
Other comprehensive income	-	-	-	-	-	-	(581)	(1,431)	(2,012)	-	(2,012)
Total comprehensive income	-	-	-	-	101,404	101,404	(581)	(1,431)	(2,012)	-	99,392
Balance at September 30, 2024	\$ 457,200	570,003	25,498	7,016	101,793	134,307	(28)	(9,000)	(9,028)	-	1,152,482
Balance at January 1, 2025	\$ 457,200	570,003	25,498	7,016	152,806	185,320	2	(4,095)	(4,093)	-	1,208,430
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	15,241	-	(15,241)	-	-	-	-	-	-
Special reserve	-	-	-	(2,923)	2,923	-	-	-	-	-	-
Cash dividends	-	-	-	-	(91,440)	(91,440)	-	-	-	-	(91,440)
Net loss	-	-	-	-	(51,206)	(51,206)	-	-	-	-	(51,206)
Other comprehensive income	-	-	-	-	-	-	723	900	1,623	-	1,623
Total comprehensive income	-	-	-	-	(51,206)	(51,206)	723	900	1,623	-	(49,583)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(38,895)	(38,895)
Balance at September 30, 2025	\$ 457,200	570,003	40,739	4,093	(2,158)	42,674	725	(3,195)	(2,470)	(38,895)	1,028,512

See accompanying notes to consolidated financial statements.

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

INERGY TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	For the nine months ended September 30	
	2025	2024
Cash flows from (used in) operating activities:		
(Loss) income before tax	\$ (65,283)	126,417
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	25,948	25,116
Amortization expense	1,775	2,716
Interest expense	3,748	3,493
Interest income	(6,054)	(15,851)
Dividend income	(900)	(450)
Gain on disposal of property, plant and equipment	-	(213)
Others	40,945	-
Total adjustments to reconcile profit (loss)	<u>65,462</u>	<u>14,811</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(43,107)	(26,379)
Decrease in other receivable	734	5
Increase in inventories	(302)	(19,665)
(Increase) decrease in other current assets	<u>(5,855)</u>	<u>4,140</u>
Total changes in operating assets	<u>(48,530)</u>	<u>(41,899)</u>
Changes in operating liabilities:		
Increase (decrease) in contract liabilities	790	(168)
(Decrease) increase in notes and accounts payable	(29,322)	62,767
Increase in other payables	25,785	12,896
Increase in other current liabilities	<u>302</u>	<u>24</u>
Total changes in operating liabilities	<u>(2,445)</u>	<u>75,519</u>
Total changes in operating assets and liabilities	<u>(50,975)</u>	<u>33,620</u>
Total adjustments	<u>14,487</u>	<u>48,431</u>
Cash (outflow) inflow generated from operations	(50,796)	174,848
Income taxes paid	<u>(14,990)</u>	<u>(23,435)</u>
Net cash flows (used in) from operating activities	<u>(65,786)</u>	<u>151,413</u>
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(38,876)	(22,021)
Proceeds from disposal of property, plant and equipment	-	216
(Increase) decrease in refundable deposits	(1,537)	75,118
Acquisition of intangible assets	(377)	(148)
Decrease (increase) in other financial assets	1,047	(431)
Interest received	6,997	14,676
Dividends received	<u>900</u>	<u>450</u>
Net cash flows (used in) from investing activities	<u>(31,846)</u>	<u>67,860</u>
Cash flows from (used in) financing activities:		
Proceeds from short-term borrowings	10,000	40,000
Repayment of long-term borrowings	(11,057)	(10,873)
Decrease in guarantee deposits received	(35,000)	(25,000)
Payment of lease liabilities	(2,653)	(2,689)
Cash dividends paid	(91,440)	(45,720)
Payments to acquire treasury shares	(38,895)	-
Interest paid	<u>(3,423)</u>	<u>(3,454)</u>
Net cash flows used in financing activities	<u>(172,468)</u>	<u>(47,736)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>2,190</u>	<u>(1,268)</u>
Net (decrease) increase in cash and cash equivalents	<u>(267,910)</u>	<u>170,269</u>
Cash and cash equivalents at beginning of period	<u>759,618</u>	<u>546,741</u>
Cash and cash equivalents at ending of period	<u>\$ 491,708</u>	<u>717,010</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INERGY TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2025 and 2024

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

(1) Company history

Inergy Technology Inc. (the “Company”) was incorporated on November 1, 2007 as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 8F-3 , No.8 Taiyuan 2nd St., Jhubei City., Hsinchu County, Taiwan. Inergy Technology Inc. and its subsidiaries (“the Group”) major operating activities are product designing, and wholesale and retail sale of electrical appliance, and wholesale and retail sale of electronic materials, and international trade.

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

The consolidated financial statements were authorized for issuance by the Board of Directors on November 5, 2025.

(3) New standards, amendments and interpretations adopted:

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

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

- Amendments to IAS21 “Lack of Exchangeability”

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

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

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

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

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

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES

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

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

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

(4) Summary of material accounting policies:

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

(a) Statement of compliance

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

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Principal activity	Shareholding		
			September 30, 2025	December 31, 2024	September 30, 2024
The Company	Guanghong Power drive (Shenzhen) electronic technology co., LTD.	Selling of electronic products	100 %	100 %	100 %

(ii) Subsidiaries excluded the consolidated financial statements: None.

(c) Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital surplus is not sufficient to be written down).

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(e) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B 12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period. However, the Group incurs a pretax loss for interim reporting period and anticipates having a tax expense for the full year when the management estimates its effective annual tax rate. An amount of deferred income tax benefit is recognized by multiplying pretax loss for the interim reporting period with the effective annual tax rate. Deferred income tax assets are adjusted relatively.

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

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

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

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

(6) Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the consolidated financial statements for the year ended December 31, 2024. Please refer to note 6 of the consolidated financial statements.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(a) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 324	242	300
Demand and checking deposits	391,479	487,096	368,560
Time deposits	99,905	108,355	189,900
Cash equivalents (investments in bonds sold under repurchase agreement)	-	163,925	158,250
	<u>\$ 491,708</u>	<u>759,618</u>	<u>717,010</u>

Please refer to note 6(s) for the currency risk and sensitivity analysis of the financial assets and liabilities of the Group.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Domestic listed companies	<u>\$ 37,305</u>	<u>36,405</u>	<u>31,500</u>

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

During the nine months ended September 30, 2025 and 2024, the group received dividend income \$900 and \$450, respectively, of the equity investment designated at fair value through other comprehensive income.

There were no disposals of equity securities as at fair value through other comprehensive income and transfers of any cumulative gain or loss within equity relating to these investments as of September 30, 2025 and 2024.

(i) For credit and market risk, please refer to note 6(s).

(ii) The aforementioned financial assets were not pledged.

(c) Notes and accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 6,600	4,302	5,844
Accounts receivable	241,083	201,590	152,683
Less: loss allowance	-	-	-
	<u>\$ 247,683</u>	<u>205,892</u>	<u>158,527</u>

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivable. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward-looking information. The loss allowance provision was determined as follows:

	September 30, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 209,950	-	-
Overdue within 90 days	9,217	-	-
Overdue 91~180 days	28,516	-	-
	\$ 247,683		-
	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 186,087	-	-
Overdue within 90 days	19,805	-	-
	\$ 205,892		-
	September 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	\$ 158,428	-	-
Overdue within 90 days	99	-	-
	\$ 158,527		-

There were no provisions or reversals of expected credit losses for the nine months ended September 30, 2025 and 2024.

The Group's notes and accounts receivable were not discounted and pledged. For further credit risk information, please refer to note 6(s).

(d) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 32,710	8,499	7,126
Work in process	169,009	218,968	155,796
Merchandise and finished goods	79,319	53,524	58,648
	\$ 281,038	280,991	221,570

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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Except for cost of goods sold and inventories recognized as expenses, the remaining gains or losses which were recognized as operating cost or deduction of operating cost were as follows:

	For the three months ended		For the nine months	
	September 30		ended September 30	
	2025	2024	2025	2024
Losses (gains) on valuation of inventories	\$ 1,258	(9,157)	4,347	(36,964)

(i) The aforementioned gains on valuation of inventories were due to inventories, which had been recognized loss on valuation, had been sold or used.

(ii) The Group's inventories were not pledged.

(e) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the nine months ended September 30, 2025 and September 30, 2024, were as follows :

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Other equipment	Office equipment	Lease improvement	Total
Cost:								
Balance at January 1, 2025	\$ 73,697	195,627	116,607	1,297	1,234	10,848	802	400,112
Additions	-	1,918	8,154	-	121	959	-	11,152
Disposals	-	-	(12,758)	-	(97)	(4,513)	-	(17,368)
Reclassification (Note)	-	660	3,916	-	-	-	-	4,576
Effect of exchange rate changes	-	-	(25)	(63)	-	(10)	(10)	(108)
Balance at September 30, 2025	\$ 73,697	198,205	115,894	1,234	1,258	7,284	792	398,364
Balance at January 1, 2024	\$ 73,697	195,360	102,965	1,211	1,125	9,467	593	384,418
Additions	-	-	7,483	1,285	72	1,583	-	10,423
Disposals	-	-	(10,477)	(1,211)	-	(482)	-	(12,170)
Reclassification (Note)	-	-	7,197	-	-	-	-	7,197
Effect of exchange rate changes	-	-	21	18	-	9	-	48
Balance at September 30, 2024	\$ 73,697	195,360	107,189	1,303	1,197	10,577	593	389,916
Accumulated depreciation:								
Balance at January 1, 2025	\$ -	21,945	49,599	162	602	6,779	285	79,372
Depreciation	-	4,625	16,526	156	154	1,667	129	23,257
Disposals	-	-	(12,758)	-	(97)	(4,513)	-	(17,368)
Effect of exchange rate changes	-	-	(18)	(9)	-	(7)	(2)	(36)
Balance at September 30, 2025	\$ -	26,570	53,349	309	659	3,926	412	85,225
Balance at January 1, 2024	\$ -	15,863	43,019	1,211	402	5,007	173	65,675
Depreciation	-	4,559	15,608	107	148	1,803	74	22,299
Disposals	-	-	(10,477)	(1,211)	-	(479)	-	(12,167)
Effect of exchange rate changes	-	-	14	2	-	6	-	22
Balance at September 30, 2024	\$ -	20,422	48,164	109	550	6,337	247	75,829
Carrying value:								
Balance at January 1, 2025	\$ 73,697	173,682	67,008	1,135	632	4,069	517	320,740
Balance at September 30, 2025	\$ 73,697	171,635	62,545	925	599	3,358	380	313,139
Balance at January 1, 2024	\$ 73,697	179,497	59,946	-	723	4,460	420	318,743
Balance at September 30, 2024	\$ 73,697	174,938	59,025	1,194	647	4,240	346	314,087

(Note): Reclassifications are mainly the prepayments for business facilities being reclassified to property, plant and equipment.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

As of September 30, 2025, December 31 and September 30, 2024, the property, plant, and equipment were subject to a registered debenture to secured bank loans and credit lines, the collateral for these long-term borrowings were disclosed in note 8.

(f) Right-of-use assets

The Group leases buildings and structures and equipment. The movements in right-of-use assets were as follows:

	<u>Buildings and structures</u>	<u>Equipment</u>	<u>Total</u>
Cost:			
Balance at January 1, 2025	\$ 11,337	636	11,973
Additions	-	2,859	2,859
Decreases	-	(1,271)	(1,271)
Effect of exchange rate changes	(255)	-	(255)
Balance at September 30, 2025	<u>\$ 11,082</u>	<u>2,224</u>	<u>13,306</u>
Balance at January 1, 2024	\$ 10,825	1,883	12,708
Additions	5,237	636	5,873
Decreases	(4,896)	(1,884)	(6,780)
Effect of exchange rate changes	197	-	197
Balance at September 30, 2024	<u>\$ 11,363</u>	<u>635</u>	<u>11,998</u>
Accumulated depreciation:			
Balance at January 1, 2025	\$ 4,365	636	5,001
Depreciation	2,179	512	2,691
Decreases	-	(901)	(901)
Effect of exchange rate changes	(49)	-	(49)
Balance at September 30, 2025	<u>\$ 6,495</u>	<u>247</u>	<u>6,742</u>
Balance at January 1, 2024	\$ 6,084	1,883	7,967
Depreciation	2,340	477	2,817
Decreases	(4,896)	(1,884)	(6,780)
Effect of exchange rate changes	96	-	96
Balance at September 30, 2024	<u>\$ 3,624</u>	<u>476</u>	<u>4,100</u>
Carrying value:			
Balance at January 1, 2025	<u>\$ 6,972</u>	<u>-</u>	<u>6,972</u>
Balance at September 30, 2025	<u>\$ 4,587</u>	<u>1,977</u>	<u>6,564</u>
Balance at January 1, 2024	<u>\$ 4,741</u>	<u>-</u>	<u>4,741</u>
Balance at September 30, 2024	<u>\$ 7,739</u>	<u>159</u>	<u>7,898</u>

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Intangible assets

	Computer Software
Carrying value:	
Balance at January 1, 2025	\$ <u>7,706</u>
Balance at September 30, 2025	\$ <u>7,922</u>
Balance at January 1, 2024	\$ <u>10,646</u>
Balance at September 30, 2024	\$ <u>8,079</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the nine months ended September 30, 2025 and 2024. Information on amortization for the period is discussed in note 12. Please refer to note 6(g) to the 2024 annual consolidated financial statements for other related information.

As of September 30, 2025 and 2024, the intangible assets were not pledged.

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

The details of the Group's other current financial assets were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Guarantee deposits paid	\$ <u>2,066</u>	\$ <u>124,208</u>	\$ <u>122,331</u>

The details of the Group's other current assets were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Prepayments to suppliers	\$ 2,902	1,443	6,627
Tax refund	8,539	6,396	8,114
Others	9,524	6,452	5,655
	\$ <u>20,965</u>	<u>14,291</u>	<u>20,396</u>

The details of the Group's other non-current financial assets were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Restricted deposits	\$ <u>14,377</u>	\$ <u>15,424</u>	\$ <u>14,911</u>

The details of the Group's other non-current assets were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Prepayments for equipment	\$ <u>25,429</u>	\$ <u>3,907</u>	\$ <u>8,925</u>

As of September 30, 2025, December 31 and September 30, 2024, the restricted deposits of the Group had been pledged as collateral, please refer to note 8.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Short-term and long-term borrowings

The details of the Group for short-term borrowings were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Unsecured bank borrowings (in NTD)	\$ <u>84,912</u>	<u>74,516</u>	<u>40,000</u>
Annual interest rate	<u>0.5%~2.085%</u>	<u>0.5%~2.12%</u>	<u>2.025%~2.09%</u>

The details of the Group for long-term borrowings were as follows:

	<u>September 30, 2025</u>			
	<u>Currency</u>	<u>Interest rate</u>	<u>Expiration</u>	<u>Amount</u>
Secured long-term borrowings	NTD	1.975%~2.12%	2035/12/04~2036/01/21	\$ 169,405
Less: Current portion				<u>15,004</u>
Total				<u>\$ 154,401</u>
Unused bank credit lines for short-term and long-term borrowings				<u>\$ 280,000</u>

	<u>December 31, 2024</u>			
	<u>Currency</u>	<u>Interest rate</u>	<u>Expiration</u>	<u>Amount</u>
Secured long-term borrowings	NTD	1.975%~2.12%	2035/12/04~2036/01/21	\$ 180,462
Less: Current portion				<u>14,780</u>
Total				<u>\$ 165,682</u>
Unused bank credit lines for short-term and long-term borrowings				<u>\$ 250,000</u>

	<u>September 30, 2024</u>			
	<u>Currency</u>	<u>Interest rate</u>	<u>Expiration</u>	<u>Amount</u>
Secured long-term borrowings	NTD	1.975%~2.12%	2035/12/04~2036/01/21	\$ 184,111
Less: Current portion				<u>14,706</u>
Total				<u>\$ 169,405</u>
Unused bank credit lines for short-term and long-term borrowings				<u>\$ 270,000</u>

(i) For collateral for long-term borrowings, please refer to note 8.

(ii) Government credit guarantee low-interest loans

On December 2, 2024, an additional unsecured bank loan of NTD35,000 was obtained, with an annual interest rate of 0.5%, maturing on December 2, 2025. This loan was secured under the "Guidelines for the Ministry of Economic Affairs' Project Loans to Assist SMEs in Low-Carbon and Smart Transformation Development and Optimization of Infrastructure for Regulated and Specific Factories," and was obtained as a low-interest project loan from E.SUN Bank, fully guaranteed by the domestic government. The loan disbursement is recognized and measured at market interest rates, with the difference between the actual preferential interest rate and the market rate, in accordance with government grants, recognized as deferred income under other current liabilities.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	<u>\$ 3,681</u>	<u>3,025</u>	<u>3,172</u>
Non-current	<u>\$ 3,089</u>	<u>4,134</u>	<u>4,901</u>

For the maturity analysis, please refer to note 6(s).

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest expenses on lease liabilities	<u>\$ 48</u>	<u>39</u>	<u>145</u>	<u>78</u>
Expenses relating to short-term leases	<u>\$ 49</u>	<u>61</u>	<u>127</u>	<u>130</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 31</u>	<u>31</u>	<u>93</u>	<u>97</u>

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

	For the nine months ended September 30	
	2025	2024
Total cash outflow for leases	<u>\$ 3,018</u>	<u>2,994</u>

The Group leases buildings and structures for plants and office space. The leases of them typically run for a period of 1 to 5 years. The Group leases transportation equipment, with lease terms of 3 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The Group also leases office and office equipment with contract terms of 1 to 2 years. These leases are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(k) Provisions

	September 30, 2024	December 31, 2024	September 30, 2024
Litigation provisions	<u>\$ 41,358</u>	<u>-</u>	<u>-</u>

Litigation provisions are recognized by the Group as liabilities for pending lawsuits base on the assessment of potential future cash outflows. Please refer to note 9 for other related information.

(l) Employee benefits

(i) Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

(ii) The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$1,212, \$988, \$3,479 and \$2,831 for the three months and nine months ended September 30, 2025 and 2024, respectively.

(iii) The Group's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

The Group recognized the pension costs in accordance with the pension regulations were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Operating expense	<u>\$ 225</u>	<u>266</u>	<u>747</u>	<u>735</u>

(m) Income taxes

(i) Income tax (benefits) expenses

The components of income tax (benefits) expenses were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Current tax (benefits) expenses	\$ -	2,862	(1,020)	25,013
Deferred tax benefits	7,121	-	(13,057)	-
Income tax (benefits) and expenses	<u>\$ 7,121</u>	<u>2,862</u>	<u>(14,077)</u>	<u>25,013</u>

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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The Group did not recognized any amount of income tax expense in equity and other comprehensive income for the three months and nine months ended September 30, 2025 and 2024.

(ii) Assessment

The Company's income tax returns for all years through 2023 were assessed by the tax authorities.

(n) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to September 30, 2025 and 2024. For the related information, please refer to note 6(m) to the consolidated financial statements for the year ended December 31, 2024.

(i) Ordinary shares

As of September 30, 2025, December 31 and September 30, 2024, the Company's authorized ordinary shares consisted of 60,000, 50,000 and 50,000 thousand shares, respectively, with a par value of \$10 per share, amounting to \$600,000, \$500,000 and \$500,000 of which 45,720 thousand shares were issued and outstanding.

(ii) Capital surplus

The balances of capital surplus were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2025</u>
Cash subscription in excess of par value of shares	\$ 569,928	569,928	569,928
Employee stock options	<u>75</u>	<u>75</u>	<u>75</u>
	<u>\$ 570,003</u>	<u>570,003</u>	<u>570,003</u>

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total ordinary shares outstanding.

On June 14, 2024, the shareholders resolved to distribute the cash dividends from the Company's capital surplus for an amount of \$24,689 with a face value of NTD0.54 per share. The related information can be found on websites such as the Market Observation Post System.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Retained earnings

The Company's article of incorporation stipulate that the Company's net earnings should first be used to offset any prior years' deficits. Of the remaining balance, 10% is to be appropriated as legal reserve until the accumulated legal reserve equals the Company's total paid-in capital. The remainder, if any, together with any undistributed retained earnings, shall be distributed according to the distribution plan proposed by the Board of Directors and submitted during the shareholders' meeting for approval.

As the Company is a technology intensive enterprise and is in its growth phase, it has adopted a more prudent approach in the appropriation of its remaining earnings as its dividend policy, in order to sustain its long-term capital needs and thereby maintain continuous development and steady growth. Cash dividends and share dividends are appropriated in consideration of the Company's budget for capital expenditures, financial condition, and future operating cash flows. The amount of dividends to shareholders shall not be less than 10% of the profit from the current year. However, when the accumulated distributable surplus is less than 10% of the paid-in capital, it may not be distributed. No dividends can be distributed if the Company has no unappropriated earnings. Earnings can be distributed in cash or in shares. For cash dividends, the amount should not be lower than 10% of the total shareholders' dividends.

(iv) Earnings distribution

On June 6, 2025, the shareholders resolved to distribute the 2024 earnings; while on June 14, 2024, the shareholders resolved to distribute the 2023 earnings. The relevant dividend distributions to shareholders were as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Amount per share (in dollars)</u>	<u>Total amount</u>	<u>Amount per share (in dollars)</u>	<u>Total amount</u>
Dividends distributed to ordinary shareholders:				
Cash	\$ <u>2.00</u>	<u>91,440</u>	<u>0.46</u>	<u>21,031</u>

The related information mentioned above can be found on websites such as the Market Observation Post System.

(v) Treasury shares

In order to transfer shares to its employees, the Company decided to repurchase 1,500 thousand shares, at a price ranging from NT45 to NT88.07 per share, between June 4 and August 3, 2025, based on a resolution approved during its board meeting held on June 3, 2025. As of September 30, 2025, the Group has repurchased a total of 674 thousand shares for \$38,895 thousand.

In accordance with the Securities and Exchange Act, treasury shares held by the Group may not be pledged, nor are they entitled to dividends or voting rights prior to the transfer.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Other equity interests (net of taxes)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2025	\$ 2	(4,095)	(4,093)
Exchange differences on translation of foreign financial statements	723	-	723
Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	-	900	900
Balance at September 30, 2025	<u>\$ 725</u>	<u>(3,195)</u>	<u>(2,470)</u>
	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2024	\$ 553	(7,569)	(7,016)
Exchange differences on translation of foreign financial statements	(581)	-	(581)
Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	-	(1,431)	(1,431)
Balance at September 30, 2024	<u>\$ (28)</u>	<u>(9,000)</u>	<u>(9,028)</u>

(o) Earnings per share

The Group's basic and diluted earnings per share were calculated as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Basic earnings per share:				
Profit (loss) attributable to ordinary shareholders of the Company	\$ <u>28,484</u>	<u>11,448</u>	<u>(51,206)</u>	<u>101,404</u>
Weighted average number of ordinary shares outstanding (in thousands)	<u>45,147</u>	<u>45,720</u>	<u>45,524</u>	<u>45,720</u>
Basic earnings per share (in dollars)	\$ <u>0.62</u>	<u>0.25</u>	<u>(1.12)</u>	<u>2.22</u>
Diluted earnings per share:				
Profit (loss) attributable to ordinary shareholders of the Company	\$ <u>28,484</u>	<u>11,448</u>	<u>(51,206)</u>	<u>101,404</u>
Weighted average number of ordinary shares outstanding (in thousands)	45,147	45,720	45,524	45,720
Employee remuneration (thousands shares)	-	75	-	78
Weighted average ordinary shares outstanding (diluted) (thousands shares)	<u>45,147</u>	<u>45,795</u>	<u>45,524</u>	<u>45,798</u>
Diluted earnings per share (in dollars)	\$ <u>0.62</u>	<u>0.25</u>	<u>(1.12)</u>	<u>2.21</u>

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months and nine months ended September 30, 2025, the employee compensation had anti-diluted effects and hence the employee compensation was not included in the calculation of effect on potentially diluted common stock.

(p) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Primary geographical markets:				
Taiwan	\$ 113,937	87,507	324,183	240,309
China	240,730	186,632	663,403	520,857
Vietnam	267	8,153	3,366	13,358
Others	34	351	34	365
	<u>\$ 354,968</u>	<u>282,643</u>	<u>990,986</u>	<u>774,889</u>
Major products:				
Power semiconductor devices	\$ 239,274	220,461	649,482	592,390
Brushless DC Motors	77,033	41,968	231,000	112,763
Cooling Fan Driver	38,546	19,580	110,231	67,657
Others	115	634	273	2,079
	<u>\$ 354,968</u>	<u>282,643</u>	<u>990,986</u>	<u>774,889</u>

(ii) Contract balance

	September 30,	December 31,	September 30,
	2025	2024	2024
Notes receivable	\$ 6,600	4,302	5,844
Accounts receivable	241,083	201,590	152,683
Less: loss allowance	-	-	-
Total	<u>\$ 247,683</u>	<u>205,892</u>	<u>158,527</u>
Contract liabilities-current	<u>\$ 1,460</u>	<u>697</u>	<u>210</u>

For details on notes and accounts receivables and loss allowance, please refer to note 6(c).

The amount of revenue recognized for the nine month ended September 30, 2025 and 2024 that were included in the contract liabilities balances at the beginning of the period were \$614 and \$320, respectively.

The contract liabilities primarily relate to the advance consideration received from customers for the integrated circuit sales contracts, for which revenue is recognized when products are delivered to customers.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Remuneration to employees and directors

On June 6, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 1%~15% shall be allocated as employee remuneration (including a minimum of 20% to those base-level employees) and a maximum of 5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 1%~15% should be allocated as employee remuneration and no more than 5% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

The Company estimated its employees' and directors' remuneration were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Employees' remuneration	\$ -	3,246	-	6,738
Directors' remuneration	-	603	-	2,016
	\$ -	3,849	-	8,754

The abovementioned remuneration were calculated by using the Company's pretax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution of ratio of the remuneration to employees and directors based on the Company's articles of incorporation, and expensed under operating expenses. If there would be any changes after the reporting date, the changes shall be accounted for as changes in accounting estimates and recognized as profit or loss in the following year.

For the years ended December 31, 2024 and 2023, the employees' compensation amounted to \$7,230 and \$1,137, respectively, and directors' compensation amounting to \$2,300 and \$116, respectively. There was no difference between the actual distributed amounts as determined by the Board of Directors and those recognized in the Company's financial statements of the years ended December 31, 2024 and 2023. The related information can be found on Market Observation Post System website.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Non-operating income and expenses

(i) Interest income

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 1,068	5,782	6,051	15,847
Other interest income	1	1	3	4
	<u>\$ 1,069</u>	<u>5,783</u>	<u>6,054</u>	<u>15,851</u>

(ii) Other income

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Rent income	\$ 140	270	394	906
Dividend income	-	450	900	450
	<u>\$ 140</u>	<u>720</u>	<u>1,294</u>	<u>1,356</u>

(iii) Other gains and losses

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Foreign exchange gains (losses), net	\$ 13,674	(17,774)	(50,360)	26,751
Gains on disposal of property, plant and equipment	-	213	-	213
Litigation loss	-	-	(40,624)	-
Others	187	169	464	424
	<u>\$ 13,861</u>	<u>(17,392)</u>	<u>(90,520)</u>	<u>27,388</u>

(iv) Finance costs

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest expense	\$ <u>1,427</u>	<u>1,184</u>	<u>3,748</u>	<u>3,493</u>

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(s) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instrument. For related information, please refer to note 6(r) to the consolidated financial statements for the year ended December 31, 2024.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

As of September 30, 2025, December 31 and September 30, 2024, the Group's notes and accounts receivable were concentrated on 5, 5 and 6 customers, whose accounts represented 72%, 70% and 77% of the total notes and accounts receivable, respectively. In order to reduce the credit risk on these notes and accounts receivable, the Group evaluates the financial status of these customers and possible loss of accounts receivable periodically.

3) Receivable and debt securities

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

Other financial assets at amortized cost includes other receivables, other financial assets and guarantee deposits paid, all of these financial assets are considered to have low credit risk, and thus, the impairment provision recognized during the period was limited to 12 months expected credit losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(g) to the consolidated financial statements for the year ended December 31, 2024.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
September 30, 2025						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	\$ 254,317	272,912	103,555	18,270	54,810	96,277
Notes and accounts payable	169,032	169,032	169,032	-	-	-
Other payables	71,735	71,735	71,735	-	-	-
Lease liabilities	6,770	6,948	3,814	2,561	573	-
Guarantee deposits received	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 536,854</u>	<u>555,627</u>	<u>383,136</u>	<u>20,831</u>	<u>55,383</u>	<u>96,277</u>

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
December 31, 2024						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	\$ 254,978	276,610	93,550	18,270	54,810	109,980
Notes and accounts payable	198,354	198,354	198,354	-	-	-
Other payables	46,198	46,198	46,198	-	-	-
Lease liabilities	7,159	7,419	3,193	3,140	1,086	-
Guarantee deposits received	70,000	70,000	35,000	35,000	-	-
	<u>\$ 576,689</u>	<u>598,581</u>	<u>376,295</u>	<u>56,410</u>	<u>55,896</u>	<u>109,980</u>
September 30, 2024						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including current portion)	\$ 224,111	245,959	58,332	18,270	54,810	114,547
Notes and accounts payable	151,393	151,393	151,393	-	-	-
Other payables	41,992	41,992	41,992	-	-	-
Lease liabilities	8,073	8,390	3,363	3,149	1,878	-
Guarantee deposits received	70,000	70,000	35,000	35,000	-	-
	<u>\$ 495,569</u>	<u>517,734</u>	<u>290,080</u>	<u>56,419</u>	<u>56,688</u>	<u>114,547</u>

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

(iii) Currency risk

1) Exposure to credit risk

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

	<u>September 30, 2025</u>			<u>December 31, 2024</u>			<u>September 30, 2024</u>		
	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>
Financial assets									
Monetary items									
USD	\$ 18,814	30.445	572,779	27,342	32.785	896,400	29,759	31.650	941,879
CNY	245	4.2721	1,048	329	4.4889	1,477	423	4.5103	1,907
Financial liabilities									
Monetary items									
USD	\$ 10,946	30.445	333,247	8,054	32.785	264,049	6,460	31.650	204,450
CNY	200	4.2721	854	200	4.4889	898	200	4.5103	902
Non-monetary item									
CNY	\$ 1,971	4.2721	8,420	3,711	4.4889	16,659	2,853	4.5103	12,866

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets, guarantee deposits paid, notes and accounts payable, other payables, provisions that are denominated in foreign currency. A strengthening (weakening) of 5% of the NTD against the USD and CNY as of September 30, 2025 and 2024, would have increased (decreased) the income (loss) before tax by \$11,986 and \$36,922, respectively. The analysis is performed on the same basis for the nine months ended September 30, 2025 and 2024.

3) Foreign exchange gains and losses on monetary items

For the three months and nine months ended September 30, 2025 and 2024, foreign exchange gains (losses) (including realized and unrealized portions) amounted to \$13,674, \$(17,774), \$(50,360) and \$26,751, respectively.

(iv) Interest rate risk

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

The following sensitivity analysis is based on the exposure to interest rate risk of the non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased / decreased by 1%, the Group's net income (loss) would have increased / decreased by \$1,571 and \$1,681 for the nine months ended September 30, 2025 and 2024, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at floating variable rates.

(v) Other market price risk

For the nine months ended September 30, 2025 and 2024, the sensitivity analysis for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	For the nine months ended September 30			
	2025		2024	
Price of the securities at the reporting date	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increasing 5%	\$ <u>1,865</u>	-	<u>1,575</u>	-
Decreasing 5%	\$ <u>(1,865)</u>	-	<u>(1,575)</u>	-

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Fair value

1) Categories and fair value of financial instruments

Except for the followings, carrying amount of the Group's financial assets and liabilities are valued approximately to their fair value, and are not based on observable market data and the value measurements which are not reliable. No additional fair value disclosure is required in accordance with the regulations.

		September 30, 2025				
		Fair value				
		Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Domestic listed companies		\$ <u>37,305</u>	<u>37,305</u>	<u>-</u>	<u>-</u>	<u>37,305</u>
		December 31, 2024				
		Fair value				
		Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Domestic listed companies		\$ <u>36,405</u>	<u>36,405</u>	<u>-</u>	<u>-</u>	<u>36,405</u>
		September 30, 2024				
		Fair value				
		Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Domestic listed companies		\$ <u>31,500</u>	<u>31,500</u>	<u>-</u>	<u>-</u>	<u>31,500</u>

2) Valuation techniques of financial instruments valued at fair value

The fair value of non-derivative financial instruments traded in an active market is based on the quoted market prices. The quotation, which is published by the main exchange center or that which was deemed to be a public bond by the Treasury Bureau of Central Bank, is included in the fair value of the listed securities instruments and the debt instruments in active markets with open bid.

A financial instrument is regarded as the quoted price in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency; and if those prices represent the actual and regularly occurring market transactions on an arm's length basis. Otherwise, the market is deemed to be inactive.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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Normally, a market is considered to be inactive when:

- The bid-ask spread is increasing; or
- The bid-ask spread varies significantly; or
- There has been a significant decline in trading volume.

The fair value is based on the valuation techniques or the quotation from the counterparty. The fair value refers to the current fair value of the other financial instruments with similar conditions and characteristics, using a discounted cash flow analysis or other valuation techniques, such as calculations of using models (for example, applicable yield curve from Taipei Exchange, or average quoted price on interest rate of commercial paper from Reuters), based on the information acquired from the market at the balance sheet date.

When the financial instrument of the Group is not traded in an active market, its fair value is listed by category and attribute as follows:

- Unquoted equity instruments: The fair value, which is discounted for its lack of liquidity in the market, is determined based on the ratio of the quoted market price of the comparative listed company and its book value per share.

3) Level transfers of financial instruments

In March 2024, Micro Silicon Electronics Corp., which the Group holds an investment in equity shares of, listed its equity shares on a stock exchange and it is currently actively traded in the market. Because the equity shares now have published price quotation in an active market, the fair value measurement was transferred from Level 3 to Level 1 of the fair value hierarchy since the first quarter of 2024.

4) Movement of level 3

	Fair value through other comprehensive income
	Unquoted equity instruments
January 1, 2024	\$ 32,931
Total gains or losses:	
Recognized in other comprehensive income	1,656
Transfer out of level 3	(34,587)
September 30, 2024	\$ -

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(t) Management of financial risk

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

(u) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to note 6(t) to the consolidated financial statements for the year ended December 31, 2024 for further details.

(v) Financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow were acquisitions of right-of-used assets under leases.

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes		September 30, 2025
			Foreign exchange movement	Others	
Short-term borrowings	\$ 74,516	10,000	-	396	84,912
Lease liabilities	7,159	(2,653)	(207)	2,471	6,770
Total liabilities from financing activities	\$ 81,675	7,347	(207)	2,867	91,682

	January 1, 2024	Cash flows	Non-cash changes		September 30, 2024
			Foreign exchange movement	Others	
Lease liabilities	\$ 4,791	(2,689)	98	5,873	8,073

(7) Related-party transactions

(a) Key management personnel remuneration

Key management personnel remuneration comprised:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 4,203	5,037	12,359	14,246
Post-employment benefits	81	78	238	231
	\$ 4,284	5,115	12,597	14,477

(b) Others related-party transactions: None.

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INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

<u>Pledged assets</u>	<u>Object</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Property, plant, and equipment:				
Land and buildings and structures	Long-term borrowings	\$ 245,332	247,379	248,635
Other non-current financial assets:				
Restricted time deposits	tariff guarantee	14,377	15,424	14,911
Guarantee deposits paid	Litigation Guarantee Deposit	41,358	-	-
		<u>\$ 301,067</u>	<u>262,803</u>	<u>263,546</u>

(9) Commitments and contingencies:

(a) The Group's unrecognized material contractual commitments were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Acquisition of property, plant, and equipment	\$ <u>13,656</u>	<u>-</u>	<u>4,506</u>

(b) In order to control the supply of raw materials and the productivity of foundry, the Group sign several supply guarantee agreements with different suppliers, wherein the Group makes advance payment, which has a fixed amount and foundry production capacity, as well as pays guarantee deposits, to its supplier. The contracts have term periods ranging from 1 to 3 years. As of September 30, 2025, December 31 and September 30, 2024, the Group evaluated that all guarantee deposits are refunded. The details of prepayment to suppliers (recognized as other current assets) and guarantee deposits paid arising from the aforementioned contracts were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Prepayments to suppliers (recognized as other current assets)	\$ -	-	3,959
Guarantee depositis paid	85,223	107,816	106,506
	<u>\$ 85,223</u>	<u>107,816</u>	<u>110,465</u>

In addition, the Group entered into several supply agreements with a sales customer. The contracts have term periods ranging from 1 to 4 years. As of September 30, 2025, December 31 and September 30, 2024, the security deposits paid by the sales customer amounted to \$35,000, \$70,000 and \$70,000, respectively, recognized as other current liabilities and guarantee deposits received. Also the guarantee notes issued by the Group for the aforementioned transactions were \$35,000, \$70,000 and \$70,000, respectively.

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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- (c) The Company's end-customer has been accused of patent infringement in the United States District Court-Eastern District of Texas due to the use of MOSFET products, wherein the plaintiff is seeking to allocate the litigation costs and losses among several MOSFET product suppliers. Nonetheless, the Company is actively responding to, and defending against, the patent infringement lawsuit, in which the outcome of the litigation remains uncertain, and the substantive content of the case is still under evaluation.

As of September 30, 2025, the Company has assessed the reasonableness of the estimated expenses or losses during each financial reporting period based on the nature of the lawsuit, the potential significance of the related costs or losses, and the progress of the litigation. Necessary adjustments have been made in a manner the Company deems appropriate. However, the final amount will not be determined until the conclusion of the litigation.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other:

- (a) A summary of employee benefits, depreciation, and amortization, by function, were as follows:

		For the three months ended September 30					
By function		2025			2024		
		Operating cost	Operating Expense	Total	Operating cost	Operating Expense	Total
By item							
	Employee benefits						
	Salary	176	27,738	27,914	104	28,149	28,253
	Labor and health insurance	23	2,486	2,509	12	1,949	1,961
	Pension	10	1,427	1,437	5	1,249	1,254
	Remuneration of directors	-	524	524	-	939	939
	Others	14	1,036	1,050	8	881	889
	Depreciation	2,474	6,008	8,482	1,989	6,412	8,401
	Amortization	-	607	607	-	858	858

		For the nine months ended September 30					
By function		2025			2024		
		Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
By item							
	Employee benefits						
	Salary	384	84,180	84,564	312	77,187	77,499
	Labor and health insurance	47	7,168	7,215	36	5,733	5,769
	Pension	21	4,205	4,226	16	3,550	3,566
	Remuneration of directors	-	1,380	1,380	-	2,937	2,937
	Others	28	3,025	3,053	22	2,385	2,407
	Depreciation	6,424	19,524	25,948	5,144	19,972	25,116
	Amortization	-	1,775	1,775	-	2,716	2,716

- (b) Seasonality of operations

The Group's operations were not affected by seasonality or cyclicity factors.

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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(13) Other disclosures:

(a) Information on significant transactions:

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

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties: None

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

Name of holder	Category and name of security	Relationship with Company	Account title	Ending balance			Notes	
				Shares/Units	Carrying amount	Percentage of ownership (%)		
The Company	Micro Silicon Electronics Corp.	-	Financial assets at fair value through other comprehensive income - non-current	900,000	37,305	1.31 %	37,305	-

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of paid-in-capital:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Notes
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Guanghong Power Drive (Shenzhen) Elec.	The company's subsidiary	Sales	291,337	29.53 %	OA90	-	-	115,725	34.81%	(Note)

(Note): The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of paid-in-capital:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
The company	Guanghong Power Drive (Shenzhen) Elec.	The company's subsidiary	115,725	358.78 %	-	-	7,305	-	(None)

(Note): The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

(vi) Business relationships and significant intercompany transactions:

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions				Note
				Account name (Note 3)	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 4)	
0	The company	Guanghong Power Drive (Shenzhen) Elec.	1	Accounts receivable	115,725	OA90	7.17%	(Note)
"	"	"	1	Operating revenue	291,337	OA90	29.40%	(Note)

Note: The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

Note 1: Company numbering is as follows:

Parent company—0

Subsidiary starts from 1

Note 2: The numbering of the relationship between transaction parties is as follows:

Parent company to subsidiary—1

Subsidiary to parent company—2

Subsidiary to subsidiary—3

Note 3: The section only discloses the information of sales and accounts receivable of inter-company transactions. The purchase and accounts payable of counter-party is not disclosed due to duplicate.

Note 4: Calculated by using the transaction amount, divided by the consolidated operating revenues and total assets.

(Continued)

INERGY TECHNOLOGY INC. AND SUBSIDIARIES
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- (b) Information on investees (excluding information on investees in mainland China): None
- (c) Information on investment in mainland China:

The following are the information on investment in mainland China for the nine months ended September 30, 2025:

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

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan at the beginning of this period	Investment flows		Accumulated outflow of investment from Taiwan at the end of this period	Net income (losses) of the investee (Note2)	Direct/Indirect percentage of ownership by the Company	Investment income (loss) recognized (Note2)	Carrying amount at the end of this period	Accumulated remittance of earnings in current period	Notes
					Outflow	Inflow							
Guanghong Power Drive (Shenzhen) Elec.	Electronic sales	9,675 (USD 300)	(Note 1)	9,675 (USD 300)	-	-	9,675 (USD 300)	7,516	100.00%	7,516	(11,124)	-	(Note)

- (ii) Limitation on investment in mainland China:

Accumulated Investment in mainland China as of September 30, 2025 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment (Note 4)
9,675 (USD 300)	9,675 (USD 300)	617,107

Note : The amounts of the transaction and the ending balance had been eliminated in the consolidated financial statements.

Note 1: The Company invested in mainland China directly.

Note 2: The amount of net income (losses) was recognized based on the financial statements of the investee company reviewed by the same auditor of the parent company.

Note 3: The investment was recorded at the exchange rate prevailing at transaction date.

Note 4: Amount of upper limit on investment was sixty percentage of total equity.

- (iii) Significant transactions:

The significant inter-company transactions with the subsidiary in mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(14) Segment information:

The Group has one reportable segment. This segment is mainly involved in manufacturing and selling of integrated circuit. The segment information is the same as those described in the consolidated financial reports. Please refer to the consolidated balance sheets and the consolidated income statement.