

**Eastech Holding Limited and Subsidiaries**

**Consolidated Financial Statements for the  
Three Months Ended  
March 31, 2025 and 2024 and  
Independent Auditors' Review Report**

*Notice to Readers*

*For the convenience of readers, 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 consolidated financial statements shall prevail.*

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Eastech Holding Limited

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Eastech Holding Limited (“Eastech”) and its subsidiaries (collectively, the “Group”) as of March 31, 2025 and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended March 31, 2025 and 2024, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Accounting Standards 34 “Interim Financial Reporting”. 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 Statement on Review Engagements of the Republic of China No. 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.

### **Conclusion**

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Group as of March 31, 2025, its consolidated financial performance for the three months ended March 31, 2025 and 2024, as well as its consolidated financial performance and its consolidated cash flows for the three months then ended March 31, 2025 and 2024 in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The engagement partners on the reviews resulting in this independent auditors' review report are Jung-Chin Liu and Tzu-Ping Huang.

Ernst & Young  
Taipei, Taiwan  
Republic of China

April 28, 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.*

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF MARCH 31, 2025 AND DECEMBER 31, 2024

(In Thousands of New Taiwan Dollars)

| ASSETS  |                     | March 31, 2025     |               | December 31, 2024  |               | LIABILITIES AND EQUITY   |        | March 31, 2025     |               | December 31, 2024  |               |
|---|---------------------|--------------------|---------------|--------------------|---------------|--|--------|--------------------|---------------|--------------------|---------------|
| Accounts  | Notes               | Amount             | %             | Amount             | %             | Accounts   | Notes  | Amount             | %             | Amount             | %             |
| <b>CURRENT ASSETS</b>   |                     |                    |               |                    |               | <b>CURRENT LIABILITIES</b>   |        |                    |               |                    |               |
| Cash and cash equivalents   | 6.(1)               | \$2,706,418        | 36.85         | \$2,588,960        | 35.43         | Accounts payable   | 6.(9)  | 2,376,080          | 32.37         | 2,459,538          | 33.65         |
| Financial assets at fair value through profit or loss               | 6.(2)               | -                  | -             | 2                  | -             | Other payables   | 6.(9)  | 1,695,564          | 23.09         | 987,028            | 13.51         |
| - current   |                     |                    |               |                    |               | Current tax liabilities  | 6.(13) | 72,843             | 0.99          | 69,109             | 0.95          |
| Accounts receivable, net  | 6.(3), 6.(12) and 8 | 1,908,216          | 25.99         | 2,119,379          | 29.00         | Lease liabilities - current  | 6.(7)  | 73,584             | 1.00          | 76,596             | 1.05          |
| Inventories   | 6.(5) and 8         | 1,130,363          | 15.39         | 1,112,442          | 15.22         | Current portion of long-term liabilities   | 6.(8)  | 17,748             | 0.24          | 17,654             | 0.24          |
| Other receivables and prepayments                                   | 6.(4)               | 400,204            | 5.45          | 323,328            | 4.42          | Total current liabilities  |        | 4,235,819          | 57.69         | 3,609,925          | 49.40         |
| Current tax assets  |                     | 1,274              | 0.02          | 1,115              | 0.02          | <b>NON-CURRENT LIABILITIES</b>   |        |                    |               |                    |               |
| Total current assets  |                     | 6,146,475          | 83.70         | 6,145,226          | 84.09         | Deferred tax liabilities   |        | 19,868             | 0.27          | 11,749             | 0.16          |
|   |                     |                    |               |                    |               | Lease liabilities - non-current  | 6.(7)  | 61,996             | 0.84          | 70,240             | 0.96          |
|   |                     |                    |               |                    |               | Total non-current liabilities  |        | 81,864             | 1.11          | 81,989             | 1.12          |
| <b>NON-CURRENT ASSETS</b>   |                     |                    |               |                    |               | Total liabilities  |        | 4,317,683          | 58.80         | 3,691,914          | 50.52         |
| Financial assets at fair value through profit or loss - non-current | 6.(2)               | 131,205            | 1.79          | 131,205            | 1.80          | <b>EQUITY ATTRIBUTTABLE TO SHAREHOLDERS</b>  |        |                    |               |                    |               |
| Property, plant and equipment                                       | 6.(6) and 8         | 854,616            | 11.64         | 819,297            | 11.20         | <b>OF THE PARENT</b>   |        |                    |               |                    |               |
| Right-of-use assets   | 6.(7)               | 163,408            | 2.23          | 175,300            | 2.40          | Share capital - common stock   | 6.(11) | 784,167            | 10.68         | 772,807            | 10.58         |
| Intangible assets   | 8                   | 17,161             | 0.23          | 16,609             | 0.23          | Capital surplus  | 6.(11) | 1,148,286          | 15.64         | 1,139,883          | 15.60         |
| Deferred tax assets   |                     | 29,743             | 0.41          | 20,129             | 0.28          | Retained earnings  | 6.(11) |                    |               |                    |               |
| Total non-current assets  |                     | 1,196,133          | 16.30         | 1,162,540          | 15.91         | Legal reserve  |        | 15,035             | 0.20          | 10,801             | 0.15          |
|   |                     |                    |               |                    |               | Unappropriated earnings  |        | 893,867            | 12.18         | 1,519,944          | 20.79         |
|   |                     |                    |               |                    |               | Exchange differences on translating the financial statements of foreign operations | 6.(11) | 207,589            | 2.83          | 196,436            | 2.69          |
|   |                     |                    |               |                    |               | Treasury shares  | 6.(11) | (24,019)           | (0.33)        | (24,019)           | (0.33)        |
|   |                     |                    |               |                    |               | Total equity   |        | 3,024,925          | 41.20         | 3,615,852          | 49.48         |
| <b>TOTAL ASSETS</b>   |                     | <u>\$7,342,608</u> | <u>100.00</u> | <u>\$7,307,766</u> | <u>100.00</u> | <b>TOTAL LIABILITIES AND EQUITY</b>  |        | <u>\$7,342,608</u> | <u>100.00</u> | <u>\$7,307,766</u> | <u>100.00</u> |

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

EASTECH HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, except for earnings per share)

| Accounts   | Notes               | For the three months ended March 31, |        |             |        |
|--|---------------------|--------------------------------------|--------|-------------|--------|
|  |                     | 2025                                 |        | 2024        |        |
|  |                     | Amount                               | %      | Amount      | %      |
| NET SALES  | 6.(12)              | \$2,691,775                          | 100.00 | \$2,763,011 | 100.00 |
| COST OF SALES  | 6.(5) and<br>6.(12) | 2,285,788                            | 84.92  | 2,328,404   | 84.27  |
| GROSS PROFIT   |                     | 405,987                              | 15.08  | 434,607     | 15.73  |
| OPERATING EXPENSES   | 6.(12)              |                                      |        |             |        |
| Selling and distribution                                       |                     | 44,930                               | 1.67   | 49,159      | 1.78   |
| General and administrative                                     |                     | 191,036                              | 7.10   | 230,051     | 8.33   |
| Reversal gains from expected credit loss                       | 6.(3)               | (4)                                  | -      | -           | -      |
| Total operating expenses                                       |                     | 235,962                              | 8.77   | 279,210     | 10.11  |
| OPERATING PROFIT   |                     | 170,025                              | 6.31   | 155,397     | 5.62   |
| NON-OPERATING INCOME AND EXPENSES                              |                     |                                      |        |             |        |
| Other income   | 6.(12)              | 25,924                               | 0.96   | 24,438      | 0.88   |
| Foreign exchange gain, net                                     |                     | 24,698                               | 0.92   | 34,796      | 1.26   |
| Other losses   | 6.(12)              | (3,898)                              | (0.14) | (1,641)     | (0.06) |
| Finance costs  | 6.(12)              | (3,230)                              | (0.12) | (2,667)     | (0.10) |
| Total non-operating income and expenses                        |                     | 43,494                               | 1.62   | 54,926      | 1.98   |
| PROFIT BEFORE TAX  |                     | 213,519                              | 7.93   | 210,323     | 7.60   |
| INCOME TAX EXPENSE   | 6.(13)              | (20,273)                             | (0.75) | (25,669)    | (0.93) |
| NET PROFIT FOR THE PERIOD                                      |                     | 193,246                              | 7.18   | 184,654     | 6.67   |
| OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)                 |                     |                                      |        |             |        |
| Items that may be reclassified subsequently to profit or loss: |                     |                                      |        |             |        |
| Exchange differences on translating foreign operations         |                     | 11,153                               | 0.41   | 92,112      | 3.33   |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD                      |                     | \$204,399                            | 7.59   | \$276,766   | 10.00  |
| EARNINGS PER SHARE (NT\$)                                      | 6.(14)              |                                      |        |             |        |
| Basic earnings per share after income tax                      |                     | \$2.50                               |        | \$2.52      |        |
| Diluted earnings per share after income tax                    |                     | \$2.46                               |        | \$2.38      |        |

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

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

| Descriptions   | EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT |                 |                   |                            |  |                 |              |
|--|---|-----------------|-------------------|----------------------------|--|-----------------|--------------|
|  | Share Capital -<br>Common Stock                   | Capital Surplus | Retained Earnings |                            | Exchange<br>Differences on<br>Translating<br>Foreign<br>Operations | Treasured Stock | Total Equity |
|  |   |                 | Legal Reserve     | Unappropriated<br>Earnings |  |                 |              |
| BALANCE AT JANUARY 1, 2024   | \$716,934   | \$1,027,588     | \$8,981           | \$1,063,421                | \$53,158   | \$(24,019)      | \$2,846,063  |
| Appropriation of earnings of 2023                                    |   |                 |                   |                            |  |                 |              |
| Cash dividend of common stock  | -   | -               | -                 | (494,275)                  | -  | -               | (494,275)    |
| Net profit for the three months ended March 31, 2024                 | -   | -               | -                 | 184,654                    | -  | -               | 184,654      |
| Other comprehensive income for the three months ended March 31, 2024 | -   | -               | -                 | -                          | 92,112   | -               | 92,112       |
| Total comprehensive income for the three months ended March 31, 2024 | -   | -               | -                 | 184,654                    | 92,112   | -               | 276,766      |
| Compensation costs of employee stock options                         | -   | 1,528           | -                 | -                          | -  | -               | 1,528        |
| Issuance of common stock under employee share options                | 2,500   | 3,200           | -                 | -                          | -  | -               | 5,700        |
| Conversion of convertible bonds                                      | 32,637  | 81,568          | -                 | -                          | -  | -               | 114,205      |
| BALANCE AT MARCH 31, 2024  | \$752,071   | \$1,113,884     | \$8,981           | \$753,800                  | \$145,270  | \$(24,019)      | \$2,749,987  |
| BALANCE AT JANUARY 1, 2025   | \$772,807   | \$1,139,883     | \$10,801          | \$1,519,944                | \$196,436  | \$(24,019)      | \$3,615,852  |
| Appropriation of earnings of 2024                                    |   |                 |                   |                            |  |                 |              |
| Cash dividend of common stock  | -   | -               | -                 | (815,089)                  | -  | -               | (815,089)    |
| Legal reserve of subsidiaries  | -   | -               | 4,234             | (4,234)                    | -  | -               | -            |
| Net profit for the three months ended March 31, 2025                 | -   | -               | -                 | 193,246                    | -  | -               | 193,246      |
| Other comprehensive income for the three months ended March 31, 2025 | -   | -               | -                 | -                          | 11,153   | -               | 11,153       |
| Total comprehensive income for the three months ended March 31, 2025 | -   | -               | -                 | 193,246                    | 11,153   | -               | 204,399      |
| Compensation costs of employee stock options                         | -   | 91              | -                 | -                          | -  | -               | 91           |
| Issuance of common stock under employee share options                | 11,360  | 8,312           | -                 | -                          | -  | -               | 19,672       |
| BALANCE AT MARCH 31, 2025  | \$784,167   | \$1,148,286     | \$15,035          | \$893,867                  | \$207,589  | \$(24,019)      | \$3,024,925  |

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

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

|  | For the three months<br>ended March 31, |           |   | For the three months<br>ended March 31, |                    |
|--|---|-----------|---|---|--------------------|
|  | 2025                                    | 2024      |   | 2025                                    | 2024               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                    |   |           | <b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>                   |   |                    |
| Profit before income tax   | \$213,519                               | \$210,323 | Payments for acquiring property, plant and equipment            | (75,698)                                | (44,129)           |
| Depreciation of property, plant and equipment                                  | 40,590                                  | 34,696    | Proceeds from disposal of property, plant and equipment         | 1,953                                   | 1,930              |
| Depreciation of right-of-use assets  | 18,850                                  | 15,693    | Increase in intangible assets                                   | (1,204)                                 | (684)              |
| Amortization of intangible assets  | 1,355                                   | 1,346     | Net cash used in investing activities                           | (74,949)                                | (42,883)           |
| Allowance for inventories provision and inventories write-off                  | 11,878                                  | 10,332    |   |   |                    |
| Reversal gains from expected credit loss                                       | (4)                                     | -         | <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                    |   |                    |
| Loss on change in fair value of convertible bonds value through profit or loss | 2                                       | 447       | Repayments of the principal portion of lease liabilities        | (18,436)                                | (16,448)           |
| Interest expense   | 3,230                                   | 2,667     | Exercise of employee share options                              | 19,672                                  | 5,700              |
| Interest income  | (17,003)                                | (17,045)  | Net cash generated from (used in) financing activities          | 1,236                                   | (10,748)           |
| Gain on modifications of lease   | (21)                                    | -         |   |   |                    |
| Compensation costs of employee stock options                                   | 91                                      | 1,528     |   |   |                    |
| Loss on disposal of property, plant and equipment                              | 1,779                                   | 797       |   |   |                    |
| Operating cash flows before working capital changes                            |   |           |   |   |                    |
| Accounts receivable  | 211,166                                 | (457,805) |   |   |                    |
| Other receivables and prepayments  | (76,874)                                | 23,757    |   |   |                    |
| Inventories  | (29,799)                                | (242,732) |   |   |                    |
| Accounts payable   | (83,458)                                | 238,303   |   |   |                    |
| Other payables   | (106,553)                               | 40,604    |   |   |                    |
| Cash generated from (used in) operating activities                             | 188,748                                 | (137,089) |   |   |                    |
| Interest received  | 17,003                                  | 17,045    | <b>EFFECT OF EXCHANGE RATE CHANGES</b>                          | 7,341                                   | 74,768             |
| Interest paid  | (3,136)                                 | (2,287)   | <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>     | 117,458                                 | (110,947)          |
| Income tax paid  | (18,785)                                | (9,753)   | <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b> | 2,588,960                               | 2,186,227          |
| Net cash generated from (used in) operating activities                         | 183,830                                 | (132,084) | <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>       | <u>\$2,706,418</u>                      | <u>\$2,075,280</u> |

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

# EASTECH HOLDING LIMITED AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

### 1. General information

Eastech Holding Limited (the “Company”) is an investment holding company incorporated in Cayman Islands on February 1, 2011.

The Company was set up to acquire Eastern Asia Technology (HK) Limited (the “EAH”) and its subsidiaries (the “EAH Group”) and to list on the Taiwan Stock Exchange. EAH Group was originally a subsidiary under Eastern Asia Technology Limited (the “EATL”, a company formerly listed on Singapore Stock Exchange and delisted in February 2011) and was principally engaged in the production and sales of speaker systems and headphones. Through restructuring, the Company acquired 100% interests in EAH Group from EATL with a consideration determined based on the carrying amount of EAH Group as at March 31, 2011. After the acquisition, the Company (as EAH Group) applied primary listing on the Taiwan Stock Exchange, and the shares of the Company commenced trading on the Taiwan Stock Exchange from November 5, 2012.

For the integration between the speaker systems and 3C electronic appliances to boost the sales, EAH acquired 99.98% interests in Eastech Electronics (Taiwan) Inc. (“ETT”) and its subsidiaries from Luster Green Limited in January 2015. The principal activities of ETT and its subsidiaries are to design, production and sales of smart speakers and audio/video (“AV”) electronics home entertainment systems.

In order to maximize the allocation and to diffuse the risk of cost inflation and tariff on the current main production base, EAH established a wholly-owned subsidiary - Eastech (VN) Company Limited in Vietnam on January 25, 2019, as second production base, with the accumulated registered capital of US\$8 million.

In order to develop new technology and design the product, EAH established a wholly-owned subsidiary - Eastech Innovations (TW) Inc. on July 2, 2020. Following several capital injection, the capital of Eastech Innovations (TW) Inc. was accumulated to \$215,000 thousand.

The Company’s and its subsidiaries (collectively as the “Group”) principal places of operation are located in Hong Kong and Huizhou, Guangdong Province, China and Hai Duong Vietnam.

### 2. Approval of financial statements

The consolidated financial statements were approved and authorized for issue by the Company’s board of directors on April 28, 2025.

### 3. Application of new, amended and revised standards and interpretations



(1) Standards and interpretations effective for the year

The Group has adopted all new, revised and amended International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC) and Interpretations of IAS (SIC) (collectively, the “IFRSs”) issued into effect after fiscal year beginning on January 1, 2025. Except for the following, whenever applied, the initial application of the amendments to the IFRSs issued into effect would not have any material impact on the Group’s consolidated financial statements for the three months ended March 31, 2025.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which are endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

| Items | New, Revised or Amended Standards and Interpretations  | Effective Date issued by IASB |
|-------|--|-------------------------------|
| a     | IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures | To be determined by IASB      |
| b     | IFRS 18 “Presentation and Disclosure in Financial Statements”  | 1 January 2027                |
| c     | Disclosure Initiative – The Subsidiaries without Public Accountability: Disclosure (IFRS 19)   | 1 January 2027                |
| d     | Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7  | 1 January 2026                |
| e     | Annual Improvements to IFRS Accounting Standards – Volume 11   | 1 January 2026                |
| f     | Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7   | 1 January 2026                |

As of the date the consolidated financial statements were authorized for issue, the Group assessed the aforementioned new or amended standards and interpretations have no material impact on the Group. However, IFRS 18 “Presentation and Disclosure in Financial Statements” will replace IAS 1 Presentation of Financial Statements, there will be changes to the presentation of financial statements of the Group. The main changes are as below:

A. Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

## B. Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

## C. Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

## 4. Summary of significant accounting policies

### (1) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Accounting Standards 34 “Interim Financial Reporting” and Rule No.10200546801 issued by the Financial Supervisory Commission (the “FSC”). These interim consolidated financial statements do not include all the disclosures required by IFRSs which normally included in annual consolidated financial statements. Moreover, the IFRSs applicable to these consolidated financial statements have no difference with the IFRS, IAS, interpretations as well as interpretation announcement which are endorsed by FSC.

### (2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

A. The basis of consolidated financial statements is consistent with those applied in the consolidated financial statements for the year ended December 31, 2024.

B. The consolidated financial statements had been originally presented in the functional currency of the Company - NTD.

C. Pursuant to the above basis of preparation of the consolidated financial statements, the detail information of the subsidiaries was as follows:

| Name of Investor | Name of Investee                             | Main Business  | Percentage of Ownership Interest |                   | Descriptions  |
|------------------|--|--|----------------------------------|-------------------|---|
|                  |  |  | March 31, 2025                   | December 31, 2024 |   |
| The Company      | Eastern Asia Technology (HK) Limited (“EAH”) | Sales of speaker systems and headphones  | 100.00                           | 100.00            | The Company acquired EAH 100% ownership interest on March 31, 2011 and thereby obtained 100% controlling power over EAH and its subsidiaries. |
| EAH              | Eastech (Huizhou) Co., Ltd. (“EAHZ”)         | Production, assembly and sales of speaker systems, accessories, headphones, smart speakers and AV electronics home entertainment systems | 100.00                           | 100.00            | The Company acquired EAH 100% ownership interest on March 31, 2011 and thereby obtained 100% controlling power over EAH and its subsidiaries. |
| EAH              | Eastech (SZ) Co., Ltd. (“ESZ”)               | Import and export trading of audio accessories, machinery and equipment, etc.  | 100.00                           | 100.00            | ESZ was established by EAH on November 13, 2013   |
| EAH              | Scan-Speak A/S (“ScS”)                       | Research and development, production and sales of high-end transducers   | 100.00                           | 100.00            | EAH acquired ScS 100% ownership interest on April 1, 2014   |
| EAH              | Eastech (VN) Company Limited (“EAVN”)        | Production, assembly and sales of transducer speakers, bluetooth speakers and headphones   | 100.00                           | 100.00            | EAVN was established by EAH on January 25, 2019   |
| EAH              | Eastech Trading (VN) Company Limited (“ETV”) | Sales of speaker systems and headphones  | -                                | -                 | ETV was established by EAH on July 10, 2021, and was dissolved in 2024Q4.   |
| EAH              | Eastech (SG) Pte. Ltd. (“ESG”)               | Research and development of system architecture/new product concept/state-of-the-art products/sound and acoustics advance technology     | 100.00                           | 100.00            | ESG was established by ETH in October 2017 and was transferred 100% ownership from ETH to EAH in July 2019.                                   |
| EAH              | Eastech Microacoustics (HK) Limited (“EMH”)  | Sales of headphones and AV products  | -                                | -                 | EMH was established by EAH on August 30, 2019, and was dissolved in 2024Q2.   |
| EAH              | EATL Electronics (HK) Limited (“ETH”) Note 1 | Sales of smart speakers and AV electronics home entertainment systems and headphones   | 100.00                           | 100.00            | ETH was acquired in January 2015 and was transferred 100% ownership from ETH to EAH in September 2021.  |
| EAH              | Eastech Innovations (TW) Inc. (“ETW”)        | New technology research, product design and development  | 100.00                           | 100.00            | ETW was established by EAH on July 2, 2020  |

Note 1: On March 24, 2025, Eastech Electronics (HK) Limited changed its English company name to EATL Electronics (HK) Limited.

(3) Other significant accounting policies

Except for the following, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

A. Taxation

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.

B. Explanatory about the seasonality of interim operations

The Group's majority of clients are internationally renowned audio-visual brand enterprises. In line with the relevant European and American customers' Christmas holiday sales, the Group's production and sales is focus on the third quarter of the year to make sure stock availability before Christmas holiday. The first half of the year is typically the case of the off-season operation; therefore, the Group has a seasonal cycle of operations.

5. Material accounting judgments and key sources of estimation uncertainty

The same material accounting judgments and key sources of estimates and assumptions have been followed in these consolidated financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

6. Contents of significant accounts

(1) Cash and cash equivalents

|                | March 31,<br>2025  | December 31,<br>2024 |
|----------------|--------------------|----------------------|
| Cash on hand   | \$708              | \$52,188             |
| Cash at bank   | 1,081,215          | 1,411,397            |
| Fixed deposits | 1,624,495          | 1,125,375            |
| Total          | <u>\$2,706,418</u> | <u>\$2,588,960</u>   |

Cash equivalents comprise term deposits which are highly liquid and are readily convertible into cash with low risk of changes in value.

(2) Financial instruments at fair value through profit or loss

|  | March 31,<br>2025 | December 31,<br>2024 |
|--|-------------------|----------------------|
| <u>Financial assets - current</u>      |                   |                      |
| Designation as at FVTPL                |                   |                      |
| Derivative financial assets            |                   |                      |
| Convertible bonds options (Note 6.(8)) | <u>\$-</u>        | <u>\$2</u>           |

|                                       | March 31,<br>2025 | December 31,<br>2024 |
|---------------------------------------|-------------------|----------------------|
| <u>Financial assets - non-current</u> |                   |                      |
| Mandatorily classified as at FVTPL    |                   |                      |
| Non-derivative financial assets       |                   |                      |
| Domestic unlisted stocks              | \$131,205         | \$131,205            |

(3) Accounts receivable

|                                     | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------------------|-------------------|----------------------|
| Accounts receivable                 | \$1,925,245       | \$2,136,267          |
| Less: Allowance for impairment loss | (17,029)          | (16,888)             |
| Total                               | \$1,908,216       | \$2,119,379          |

The Group's average credit period of sales of goods was 69 days (53 days in 2024). No interest was charged on accounts receivable. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs (excluding accounts receivable that recognizes loss allowance at full amount). The expected credit losses on accounts receivable are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position and adjusted for general economic conditions of the industry in which the debtors operate. 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 the accounts 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, or when the accounts receivable are over 180 days past due, whichever occurs earlier.

The following table details the loss allowance of accounts receivable based on the Group's provision matrix:

March 31, 2025

|                       | Not Past Due       | 1 to 180 Days   | 181 to 365 Days | Over One Year | Total              |
|-----------------------|--------------------|-----------------|-----------------|---------------|--------------------|
| Gross carrying amount | \$1,837,188        | \$71,028        | \$214           | \$16,815      | \$1,925,245        |
| Loss allowance        |                    |                 |                 |               |                    |
| (Lifetime ECLs)       | -                  | -               | (214)           | (16,815)      | (17,029)           |
| Amortized cost        | <u>\$1,837,188</u> | <u>\$71,028</u> | <u>\$-</u>      | <u>\$-</u>    | <u>\$1,908,216</u> |

December 31, 2024

|                       | Not Past Due       | 1 to 180 Days    | 181 to 365 Days | Over One Year | Total              |
|-----------------------|--------------------|------------------|-----------------|---------------|--------------------|
| Gross carrying amount | \$1,948,901        | \$170,478        | \$231           | \$16,657      | \$2,136,267        |
| Loss allowance        |                    |                  |                 |               |                    |
| (Lifetime ECLs)       | -                  | -                | (231)           | (16,657)      | (16,888)           |
| Amortized cost        | <u>\$1,948,901</u> | <u>\$170,478</u> | <u>\$-</u>      | <u>\$-</u>    | <u>\$2,119,379</u> |

The movements of the loss allowance of accounts receivable were as follows:

|  | For the Three<br>Months Ended<br>March 31, 2025 | For the Year<br>Ended December<br>31, 2024 |
|--|---|--|
| Balance at the beginning of the period         | \$16,888  | \$40,331                                   |
| Less: Reversal of impairment losses recognized | (4)   | (6,321)                                    |
| Less: Write-off for this period                | -   | (19,230)                                   |
| Effect of exchange rate change                 | 145   | 2,108                                      |
| Balance at the end of the period               | <u>\$17,029</u>                                 | <u>\$16,888</u>                            |

(4) Other receivables and prepayments

|   | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------------|----------------------|
| Other receivables, net                          | \$79,968          | \$64,426             |
| Prepayments for purchases                       | 72,639            | 67,885               |
| Prepayments                                     | 7,417             | 6,392                |
| Prepayments for purchases of equipment and mold | 46,827            | 35,236               |
| Value-added tax recoverable and refundable      | 166,438           | 124,191              |
| Guarantee deposits                              | 26,915            | 25,198               |
| Total   | <u>\$400,204</u>  | <u>\$323,328</u>     |

As of March 31, 2025 and December 31, 2024, the amounts of temporary payments as described in Note 6.(9) were \$52,227 thousand and \$36,956 thousand, respectively.

(5) Inventories

|                  | March 31,<br>2025  | December 31,<br>2024 |
|------------------|--------------------|----------------------|
| Raw materials    | \$655,103          | \$724,831            |
| Work-in-process  | 302,317            | 201,119              |
| Finished goods   | 84,964             | 96,988               |
| Goods in transit | 87,979             | 89,504               |
| Total            | <u>\$1,130,363</u> | <u>\$1,112,442</u>   |

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2025 and 2024 was \$2,285,788 thousand and \$2,328,404 thousand, respectively, which included loss of net realizable value of inventories and loss of written-off of inventories of \$11,878 thousand and \$10,332 thousand, respectively.

The inventories pledged as collateral for bank borrowing are set out in Note 8.

(6) Property, plant and equipment

A. Details of property, plant and equipment were as follows:

|   | March 31,<br>2025 | December 31,<br>2024 |
|---|-------------------|----------------------|
| Cost                                    | \$1,628,651       | \$1,548,939          |
| Accumulated depreciation and impairment | (774,035)         | (729,642)            |
| Carrying amount                         | <u>\$854,616</u>  | <u>\$819,297</u>     |
| Buildings and leasehold improvements    | \$276,452         | \$278,663            |
| Machinery and office equipment          | 531,742           | 528,660              |
| Construction in progress                | 46,422            | 11,974               |
| Carrying amount                         | <u>\$854,616</u>  | <u>\$819,297</u>     |

B. Changes in property, plant and equipment are as follows:

|                                | Buildings and<br>Leasehold<br>Improvements | Machinery<br>and Office<br>Equipment | Construction<br>in Progress | Total              |
|--------------------------------|--|--------------------------------------|-----------------------------|--------------------|
| <u>Cost</u>                    |  |                                      |                             |                    |
| Balance at January 1, 2024     | \$320,185                                  | \$1,047,892                          | \$12,456                    | \$1,380,533        |
| Additions                      | 22,186                                     | 75,707                               | 84,830                      | 182,723            |
| Disposals                      | (794)                                      | (48,409)                             | (694)                       | (49,897)           |
| Reclassification               | (27,684)                                   | 111,855                              | (84,171)                    | -                  |
| Effect of exchange rate change | 6,028                                      | 29,999                               | (447)                       | 35,580             |
| Balance at December 31, 2024   | <u>319,921</u>                             | <u>1,217,044</u>                     | <u>11,974</u>               | <u>1,548,939</u>   |
| Additions                      | 310  | 14,744                               | 60,644                      | 75,698             |
| Disposals                      | -  | (7,631)                              | (30)                        | (7,661)            |
| Reclassification               | -  | 25,803                               | (25,803)                    | -                  |
| Effect of exchange rate change | 729  | 11,309                               | (363)                       | 11,675             |
| Balance at March 31, 2025      | <u>\$320,960</u>                           | <u>\$1,261,269</u>                   | <u>\$46,422</u>             | <u>\$1,628,651</u> |

|  | Buildings and<br>Leasehold<br>Improvements | Machinery<br>and Office<br>Equipment | Construction<br>in Progress | Total            |
|--|--|--------------------------------------|-----------------------------|------------------|
| <u>Accumulated depreciation and<br/>impairment</u> |  |                                      |                             |                  |
| Balance at January 1, 2024                         | 23,457                                     | \$559,722                            | \$-                         | \$583,179        |
| Depreciation                                       | 11,423                                     | 141,137                              | -                           | 152,560          |
| Disposals  | (414)                                      | (30,194)                             | -                           | (30,608)         |
| Reclassification                                   | 6,065                                      | (6,065)                              | -                           | -                |
| Effect of exchange rate change                     | 727  | 23,784                               | -                           | 24,511           |
| Balance at December 31, 2024                       | 41,258                                     | 688,384                              | -                           | 729,642          |
| Depreciation                                       | 2,989                                      | 37,601                               | -                           | 40,590           |
| Disposals  | -  | (3,929)                              | -                           | (3,929)          |
| Reclassification                                   | -  | -                                    | -                           | -                |
| Effect of exchange rate change                     | 261  | 7,471                                | -                           | 7,732            |
| Balance at March 31, 2025                          | <u>\$44,508</u>                            | <u>\$729,527</u>                     | <u>\$-</u>                  | <u>\$774,035</u> |

Management assesses no indication of impairment, therefore, no impairment loss is recognized as of March 31, 2025 and December 31, 2024.

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

|                                      |  |
|--------------------------------------|--|
| Buildings and leasehold improvements | Building in Vietnam were 40 to 55 years; and leasehold improvements were depreciated over 2 to 10 years. |
| Machinery equipment                  | 5 to 10 years  |
| Office equipment                     | 1 to 10 years  |

- D. Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 8.

(7) Lease arrangements

A. Right-of-use assets

|                                | March 31,<br>2025 | December 31,<br>2024 |
|--------------------------------|-------------------|----------------------|
| <u>Carrying amounts</u>        |                   |                      |
| Land and buildings             | \$113,336         | \$121,755            |
| Machinery and office equipment | 50,072            | 53,545               |
| Total                          | <u>\$163,408</u>  | <u>\$175,300</u>     |



|   | For the Three Months<br>Ended March 31 |          |
|---|--|----------|
|   | 2025                                   | 2024     |
| Additions to right-of-use assets            | \$6,273                                | \$1,206  |
| Depreciation charge for right-of-use assets |  |          |
| Land and buildings                          | \$13,482                               | \$13,464 |
| Machinery and office equipment              | 5,368                                  | 2,229    |
| Total                                       | \$18,850                               | \$15,693 |

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2025 and for the year ended December 31, 2024.

#### B. Lease liabilities

|                         | March 31,<br>2025 | December 31,<br>2024 |
|-------------------------|-------------------|----------------------|
| <u>Carrying amounts</u> |                   |                      |
| Current                 | \$73,584          | \$76,596             |
| Non-current             | 61,996            | 70,240               |
| Total                   | \$135,580         | \$146,836            |

Range of discount rate for lease liabilities was as follows:

|                                | March 31,<br>2025 | December 31,<br>2024 |
|--------------------------------|-------------------|----------------------|
| Land and buildings             | 4.15% ~ 6.75%     | 2.42% ~ 6.75%        |
| Machinery and office equipment | 4.15% ~ 5.30%     | 2.75% ~ 4.91%        |

#### C. Material lease-in activities and terms

The Group leases lands, office, and other operating assets for the operations and manufacturing purpose. The Group does not have bargain purchase options to acquire the leased assets at the end of the lease terms. In addition, since land use right in respect of lands at Vietnam were obtained by way of lease as they could not be directly acquired subject to restrictions of laws, the Group's land use rights in Vietnam have been paid in full at the inception of the lease. The details of land use right held by the Group were as follows:

##### March 31, 2025 and December 31, 2024

| Company<br>Name | Location   | Description   | Tenure/Unexpired<br>Term   |
|-----------------|--|---|--|
| EAVN            | B2-4, Cong Hoa Industrial<br>Park, Cong Hoa Ward, Chi<br>Linh City, Hai Duong<br>Province, Vietnam | 41,227.5 sq. ft. land<br>(the land use right is<br>recognized under<br>right-of-use assets) | Lease for a term of 40<br>years from January<br>2019 to April 2058 |

#### D. Other lease information

|  | For the Three Months Ended<br>March 31 |            |
|--|--|------------|
|  | 2025                                   | 2024       |
| Expenses relating to short-term leases               | \$4,830                                | \$1,159    |
| Total cash outflow for leases                        | \$(26,275)                             | \$(19,343) |
| Short-term lease commitments exempt from recognition | \$5,836                                | \$14,224   |

The Group leases certain motor vehicles, employee dormitories and etc. which qualify as short-term 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.

#### (8) Bonds payable

|  | March 31,<br>2025 | December 31,<br>2024 |
|--|-------------------|----------------------|
| The first secured domestic convertible bonds | \$17,748          | \$17,654             |
| Less: Current portion                        | (17,748)          | (17,654)             |
| Total  | \$-               | \$-                  |

On November 28, 2022, the Company issued 3,500 of the first secured convertible bonds in Taiwan, with a coupon rate of 0%, which total amount was \$350,000 thousand, with face value of \$100 thousand. Besides, the terms and conditions of the bonds were as follows:

A. Conversion period: From March 1, 2023 to November 28, 2025.

B. Conversion price:

- (a) The initial conversion price was \$39.2 per share. Afterwards, if there were any changes in share capital (including but not limited to capital increase by cash, earnings or capital reserves, etc.), the conversion price shall be adjusted according to the prescribed calculation. As of March 31, 2025, the conversion price was \$34.2.
- (b) After the issuance of this convertible bonds, if the Company distributes cash dividends to common stock, the conversion price shall be reduced on the ex-dividend date by the adjustment formula of conversion price. This provision of reduction of the conversion price shall not be applied to those requested converting before the ex-dividend date.

C. Redemption:

- (a) Redeem the bonds upon maturity: The principal is fully redeemed upon maturity.

(b) Redeem the bonds in advance:

The Company may redeem all or part of the bonds at face value from March 1, 2023, which is 3 months after the issuance date to October 19, 2025, which is 40 days before the expiry date, when the closing price of the ordinary shares on the TWSE exceeds the conversion price by 30% for 30 consecutive trading days.

The Company may redeem the bonds at face value from March 1, 2023, which is 3 months after the issuance date to October 19, 2025, which is 40 days before the expiry date, when the bonds outstanding balance is lower than 10% of the total issuance amount.

(c) Sell back the bonds in advance:

Two years after the issuance date, November 28, 2024, the bondholders may sell back the bonds at the face value. As of March 31, 2025 and December 31, 2024, the convertible bonds no longer qualified for the right of deferred, therefore, the convertible bonds were converted to current portion of long-term liabilities.

The convertible bonds consist of liability and equity component. The equity component was presented in equity under capital surplus – convertible bonds. The effective interest rate of the liability component was 2.1426% per annum on initial recognition.

|   |                 |
|---|-----------------|
| Proceeds from issuance (less transaction costs of \$6,185 thousand) | \$366,287       |
| Equity component  | (37,622)        |
| Financial liabilities at FVTPL                                      | (455)           |
| Liability component at issuance date                                | 328,210         |
| Exercise conversion right   | (317,714)       |
| Amortization of discount on bonds payable                           | 7,158           |
| Liability component at December 31, 2024                            | 17,654          |
| Amortization of discount on bonds payable                           | 94              |
| Liability component at March 31, 2025                               | <u>\$17,748</u> |

(9) Accounts payable and other payables

A. Accounts payable were mainly due to the suppliers. The Group's payment terms were from 30 to 120 days. No interest is charged by accounts payable in general. The Group has financial risk management policies to ensure settlement of all payables within payment term.

B. Details of other payables were as follows:

|                                  | March 31,<br>2025  | December 31,<br>2024 |
|----------------------------------|--------------------|----------------------|
| Accrued salaries                 | \$248,475          | \$400,340            |
| Temporary receivables (Note)     | 122,890            | 90,703               |
| Dividend payable                 | 815,089            | -                    |
| Accrued employee's severance pay | 199,866            | 212,796              |
| Other payables                   | 309,244            | 283,189              |
| Total                            | <u>\$1,695,564</u> | <u>\$987,028</u>     |

Note: Temporary receivables are mainly sample fee, test fee, safety certification fee, etc. received in advance. Since the Group produces customized audio-visual electronic products for individual customer demand, related costs associated with the customized audio-visual electronic products, payment on behalf and installment prepayments based on agreements negotiated by both parties, are recorded in temporary payments (please refer to Note 6.(4)) and temporary receivables, respectively. After completion of the project (customer confirmed), the Group will reverse the aforementioned temporary payments and temporary receivables at the same time and the differences are recorded as income.

#### (10) Retirement benefit plans

##### Defined Contribution Plans

ETW adopt a pension plan under the Labor Pension Act (the "LPA"), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in Hong Kong, the PRC, Singapore, Denmark and Vietnam are members of a state-managed retirement benefit plan operated by the government of Hong Kong, the PRC, Singapore, Denmark and Vietnam. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

## (11) Equity

### A. Share capital

The initial setup capital of the Company is NT\$1,000 thousand (registered capital is denominated in NTD). After several capital increments, the ordinary share capital of the Company as of March 31, 2025 and December 31, 2024 were \$784,167 thousand and \$772,807 thousand, respectively, divided into 78,417 thousand shares and 77,281 thousand shares, each with a nominal amount of NT\$10 per share. All of the shares were ordinary shares, each carrying the rights to vote and receive dividend.

The movements of the shares issued and outstanding were as follows:

|                                    | (In Thousands of Shares) |
|------------------------------------|--------------------------|
|                                    | Number of Shares         |
| January 1, 2024                    | 71,693                   |
| Conversion of convertible bonds    | 3,627                    |
| Exercise of employee stock options | 1,961                    |
| December 31, 2024                  | 77,281                   |
| Exercise of employee stock options | 1,136                    |
| March 31, 2025                     | 78,417                   |

### B. Treasury shares

As of March 31, 2025 and December 31, 2024, the details of treasury shares are as follows:

| Purpose of Buy-back             | Number of Shares<br>(In Thousands of Shares) |
|---------------------------------|--|
| Shares held by its subsidiaries | 453  |

For the purpose of short-term investment, related information regarding shares of the Company held by its subsidiaries on the balance sheet date was as follows:

#### March 31, 2025

| Subsidiary | Number of Shares Held<br>(In Thousands of Shares) | Carrying Amount | Market Value |
|------------|---|-----------------|--------------|
| ETW        | 453   | \$24,019        | \$49,604     |

The subsidiaries holding treasury shares, however, are bestowed shareholder's rights, except the rights to participate in any share issuance for cash and to vote.

### C. Capital surplus

Capital surplus arising from issuance of common shares 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 limited to 10% of the Company's capital annually. As of March 31, 2025 and December 31, 2024, the capital surplus of the Company are as follows:

|  | March 31,<br>2025  | December 31,<br>2024 |
|--|--------------------|----------------------|
| <u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital</u> |                    |                      |
| Arising from issuance of common share  | \$854,403          | \$838,488            |
| Arising from convertible bonds   | 261,972            | 261,972              |
| Expired employee stock option  | 2,401              | 2,401                |
| <u>May not be used for any purpose</u>   |                    |                      |
| Arising from employee restricted shares  | 26,409             | 26,409               |
| Arising from employee stock options  | 1,164              | 8,676                |
| Convertible bonds  | 1,937              | 1,937                |
| Total  | <u>\$1,148,286</u> | <u>\$1,139,883</u>   |

### D. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining net profit together with any undistributed earnings shall be used by the 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 remaining net profit in a fiscal year could be distributed by the Company, subject to the following requirements:

The dividends/bonus distribution to the shareholders under this clause shall not be less than 10% of the remaining net profit for the period, and the cash dividend shall not be less than 50% of the total dividends/bonus distribution and the remaining distribution may be in shares dividends. However, if the Company only distributes cash dividend, it can be resolved by special resolution of the board of the directors. For information about the accrual basis of the employees' and directors' compensation and the actual appropriations, please refer to Note 6.(12)(D) for details.

When a special reserve is appropriated for cumulative net debit balance reserves from prior periods, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient.

The following cash dividends were approved by the board of directors on February 26, 2024.

The dividends per share for 2023 were as follows:

|                                  | 2023   |
|----------------------------------|--|
| Ordinary shares - cash dividends | NT\$6.61466011 per share (Note), totaling NT\$494,275 thousand |

The following cash dividends were approved by the board of directors on February 24, 2025.

The dividends per share for 2024 were as follows:

|                                  | 2024  |
|----------------------------------|---|
| Ordinary shares - cash dividends | NT\$10.47151662 per share (Note), totaling NT\$815,089 thousand |

Note: The Company has issued convertible bonds and employee stock options which then lead to the total amount of the outstanding common shares may vary subsequently. Hence, the Company will adjust dividend distribution ratio before ex-dividend base date. The 2023 and 2024 adjusted earnings per share were NT\$6.57218246 and NT\$10.39433232, respectively.

#### Legal reserve

Subsidiaries in China shall appropriate legal reserve fund (recognized under legal reserves) and provide other fund (recognized under liabilities items) from the profit after tax. Legal reserve fund subject to a proportion not less than 10% of the profit after tax after offsetting accumulated losses in prior years and no appropriation shall be made when the accumulated amount reaches 50% of the registered capital. The provision in respect of other fund shall be determined by the Company upon passing of directors' resolution; however, it has not yet been approved as of March 31, 2025.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals ETW's paid-in capital. Legal reserve may be used to offset deficit. If ETW has no deficit and its legal reserve has exceeded 25% of its paid-in capital, the excess may be transferred to capital or distributed in cash.

## E. Share-based payment arrangements

### Employee stock options

Information on outstanding employee stock options as of March 31, 2025 is as follow :

| Grant Date | Issued Shares   | Vesting Date                           | Exercisable Price |
|------------|---|--|-------------------|
| 2021.04.27 | 219 units<br>(equivalent 1,000 outstanding shares per unit)   | Within 4 years after<br>the grant date | \$18.30<br>(Note) |
| 2021.08.20 | 2,460 units<br>(equivalent 1,000 outstanding shares per unit) | Within 4 years after<br>the grant date | \$16.40<br>(Note) |
| 2022.01.21 | 1,030 units<br>(equivalent 1,000 outstanding shares per unit) | Within 4 years after<br>the grant date | \$17.60<br>(Note) |

Note: The exercise price of the employee stock options is equal to the closing price on the grant date. After the options are granted, upon the occurrence of certain events relating to the change in the number of common shares of the Company and distribute cash dividend, the exercise price shall be adjusted in accordance with the regulated formula.

The Company granted the employee stock options for the qualified employees of the Company or any of its subsidiaries. The options become exercisable after the three years from the grant date by subscribing new shares.

Information on employee stock options is as follows:

| Employee Stock Options  | For the Three Months Ended March<br>31, 2025 |   | For the Year Ended<br>December 31, 2024 |   |
|---|--|---|---|---|
|   | Number of<br>Options                         | Weighted-<br>average Exercise<br>Price (NT\$) | Number of<br>Options                    | Weighted-<br>average Exercise<br>Price (NT\$) |
| Balance at the beginning of period  | 1,328  | \$17.28                                       | 3,319                                   | \$18.39                                       |
| Executed  | (1,136)                                      | 17.32   | (1,961)                                 | 17.43   |
| Write-off   | -  | -   | (30)                                    | 18.70   |
| Balance at the end of period  | 192  | 17.04   | 1,328                                   | 17.28   |
| Options exercisable, end of period  | 192  |   | 358                                     |   |
| The weighted average fair value per<br>share (NT\$) of stock options granted<br>during the period | \$-  |   | \$-                                     |   |



Information about outstanding options was as follows:

| Grant Date | March 31, 2025                 |   | December 31, 2024              |   |
|------------|--------------------------------|---|--------------------------------|---|
|            | Range of Exercise Price (NT\$) | Weighted-average Remaining Contractual Life (Years) | Range of Exercise Price (NT\$) | Weighted-average Remaining Contractual Life (Years) |
|            |                                |   |                                |   |
| 2021.04.27 | 18.30                          | 0.08  | 18.30                          | 0.33  |
| 2021.08.20 | 16.40                          | 0.42  | 16.40                          | 1.67  |
| 2022.01.21 | 17.60                          | 0.80  | 17.60                          | 1.05  |

Employee stock options granted were priced using the Black-Scholes pricing model and the inputs to the model were as follows :

|                               | January 21,<br>2022 | August 20,<br>2021 | April 27,<br>2021 |
|-------------------------------|---------------------|--------------------|-------------------|
| Grant-date share price (NT\$) | 20.85               | 19.45              | 21.65             |
| Exercise price (NT\$)         | 20.85               | 19.45              | 21.65             |
| Expected volatility           | 43.96%              | 44.87%             | 44.32%            |
| Expected life (in years)      | 3.5 years           | 3.5 years          | 3.5 years         |
| Expected dividend yield       | -                   | -                  | -                 |
| Risk-free interest rate       | 0.53%               | 0.25%              | 0.24%             |

Expected volatility was based on the historical share price volatility over the past years.

The costs of employee stock options were as follows:

|  | For the Three Months Ended<br>March 31 |         |
|--|--|---------|
|  | 2025                                   | 2024    |
|  |  |         |
| Compensation costs of employee stock options | \$91                                   | \$1,528 |

#### F. Other equity items

Exchange differences on translating the financial statements of foreign operations

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Company's presentation currency were recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. When all or a part of the foreign operations are disposed, exchange differences previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

(12) Consolidated net profit

In addition to the disclosures made in other notes, the consolidated net profit shall include:

A. Net revenue

(a) Contract information

(i) Revenue from the sale of goods

The Group sells audio system related products and recognizes revenue at which time the goods are delivered to the customer's specific location. The Group does not provide any after-sales services, such as warranty, right to return, etc. The quotation of products is based on the current market price of the raw materials, the labor input and direct costs, and the expected profit. The term of sales of products is fixed price, not volatile. Since payment term granted to customers are usually less than 180 days, there is no significant financing component from contracts with customers.

(ii) Revenue from project service (recognized under non-operating income)

Please refer to the remark in Note 6.(12)E.

(b) Contract balances

|                                       | March 31,<br>2025  | December 31,<br>2024 |
|---------------------------------------|--------------------|----------------------|
| Accounts receivable, net (Note 6.(3)) | <u>\$1,908,216</u> | <u>\$2,119,379</u>   |

(c) Disaggregation of revenue from customer contracts

|                    | For the Three Months Ended<br>March 31 |                    |
|--------------------|--|--------------------|
| Product category   | 2025                                   | 2024               |
| Home audio         | \$1,720,586                            | \$1,743,167        |
| Personal audio     | 738,725                                | 750,650            |
| Transducer speaker | 83,880                                 | 108,299            |
| Others             | 148,584                                | 160,895            |
| Total              | <u>\$2,691,775</u>                     | <u>\$2,763,011</u> |

## B. Depreciation and amortization expenses

|   | For the Three Months Ended<br>March 31 |                 |
|---|--|-----------------|
|   | 2025                                   | 2024            |
| Depreciation of property, plant and equipment | \$40,590                               | \$34,696        |
| Amortization of other intangible assets       | 1,355                                  | 1,346           |
| Depreciation right-of-use assets              | 18,850                                 | 15,693          |
| Total   | <u>\$60,795</u>                        | <u>\$51,735</u> |

## C. Remuneration of directors and key management personnel and employee benefits expense

|  | For the Three Months Ended<br>March 31 |                  |
|--|--|------------------|
|  | 2025                                   | 2024             |
| Remuneration of directors and key management |  |                  |
| Short-term benefits                          | \$96,538                               | \$74,496         |
| Post-employment benefits                     | 1,011                                  | 850              |
| Share-based payments                         | 30                                     | 448              |
| Employee benefits                            |  |                  |
| Short-term benefits                          | 305,059                                | 324,782          |
| Post-employment benefits                     | 23,496                                 | 23,326           |
| Share-based payments                         | 61                                     | 1,080            |
| Total  | <u>\$426,195</u>                       | <u>\$424,982</u> |

## D. Employees' and directors' compensation

Under the Company's Article of Incorporation, the Company should distribute employees' compensation at the rates no less than 1% and no higher than 15% and directors' compensation at the rates no higher than 2%, respectively, of net profit before income tax, employees' and directors' compensation.

For the three months ended March 31, 2025 and 2024, the employees' compensation and directors' compensation and supervisors are as follows:

### Accrual rate

|                         | For the Three<br>Months Ended<br>March 31, 2025 | For the Three<br>Months Ended<br>March 31, 2024 |
|-------------------------|---|---|
| Employees' compensation | 6.1%  | 6.1%  |
| Directors' compensation | 1.9%  | 1.9%  |

Amount

|                         | For the Three<br>Months Ended<br>March 31, 2025 | For the Three<br>Months Ended<br>March 31, 2024 |
|-------------------------|---|---|
| Employees' compensation | \$4,400   | \$4,300   |
| Directors' compensation | \$14,200  | \$13,900  |

The Group held the board of directors on February 24, 2025, and had the resolution of the employees' and directors' compensation of 2024. For the year ended 2024, the employees' and directors' compensation are as follows:

Amount

|                         | For the Year of<br>2024 |
|-------------------------|-------------------------|
| Employees' compensation | \$51,958                |
| Directors' compensation | \$19,985                |

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.

There was no significant difference between the actual amounts of employees' and directors' compensation paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024.

Information on the employees' compensation and directors' compensation resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

E. Other income

|  | For the Three Months Ended<br>March 31 |          |
|--|--|----------|
|  | 2025                                   | 2024     |
| Government grants                                  | \$773                                  | \$34     |
| Project service revenue                            | 901                                    | 1,619    |
| Interest income                                    | 17,003                                 | 17,045   |
| Scrap income                                       | 950                                    | 629      |
| Rental revenue                                     | 840                                    | 1,170    |
| Gains on disposal of property, plant and equipment | 1,923                                  | 397      |
| Reversal of accrued employee's severance           | 3,092                                  | 2,359    |
| Others   | 442                                    | 1,185    |
| Total  | \$25,924                               | \$24,438 |

F. Other losses

|   | For the Three Months Ended<br>March 31 |                |
|---|--|----------------|
|   | 2025                                   | 2024           |
| Losses on fair value change of financial instruments at FVTPL | \$2                                    | \$447          |
| Losses on disposal and scrap property, plant and equipment    | 3,702                                  | 1,194          |
| Others  | 194                                    | -              |
| Total   | <u>\$3,898</u>                         | <u>\$1,641</u> |

G. Finance costs

|   | For the Three Months Ended<br>March 31 |                |
|---|--|----------------|
|   | 2025                                   | 2024           |
| Guarantee interest on convertible bonds | \$66                                   | \$541          |
| Interest expense on bonds payable       | 94                                     | 380            |
| Interest on lease liabilities           | 3,009                                  | 1,736          |
| Other                                   | 61                                     | 10             |
| Total                                   | <u>\$3,230</u>                         | <u>\$2,667</u> |

(13) Income taxes

A. Income tax recognized in profit or loss

Major components of tax expense are as follows:

|   | For the Three Months Ended<br>March 31 |                 |
|---|--|-----------------|
|   | 2025                                   | 2024            |
| Current tax                                     |  |                 |
| In respect of the current year                  | \$20,255                               | \$24,190        |
| Adjustments for prior years                     | 8                                      | 2,910           |
| Deferred tax                                    |  |                 |
| In respect of the current year                  | 10                                     | (1,431)         |
| Income tax expense recognized in profit or loss | <u>\$20,273</u>                        | <u>\$25,669</u> |

The Group uses the estimated effective annual interest rate and calculating the income tax expense of each interim period. Therefore, the Group is unable to disclose the difference between the accounting income and the taxable income.

The Company was incorporated in accordance with the International Business Companies Order issued by the government of the Cayman Islands and is exempted from income tax charged by the government of the Cayman Islands.

The local tax rate for the subsidiaries in the PRC is 25%. However, according to local corporate income tax laws, the applicable preferential income tax is reduced from 25% to 15% once obtained the innovation and high technology enterprise certificates jointly issued by the local tax authority and the Departments of Ministry of Science and Technology and Ministry of Finance of the PRC. The aforementioned certificate must be reviewed and reissued every three years. EAHZ is subject to the applicable preferential income tax rate from 2024 to 2026.

In accordance with Enterprise Income Tax Law of the PRC as well as the interpretations and implementation of some clauses in the arrangement between the Mainland of China and Hong Kong Special Administrative Region on the avoidance of double taxation, if the foreign enterprise allocates dividend to the Hong Kong Company, 5% levy tax is imposed on the earnings distribution when it meets certain conditions.

The tax rate in Hong Kong is a two-level progressive tax. Tax rate for taxable income less than HK\$2 million is 8.25%, and for taxable income more than HK\$2 million is 16.5%.

The local tax rates for the subsidiaries in Denmark and Singapore are 22% and 17%, respectively. The local tax rate for the subsidiary in Vietnam is 20%. EAVN can enjoy the income tax exemption for the first two years after making profit and proceed with fifty percent reduction for the four subsequent years. The local tax rate for the subsidiaries in Taiwan is 20%.

## B. Income tax assessments

The Company and its subsidiaries are located in the Cayman Islands, the PRC, Hong Kong, Singapore, Vietnam and Denmark. Their tax authorities will not take the initiative to send a tax returns assessment to enterprises. When there are tax disputes, they issue a tax payment notice to enterprises and reserve the right to propose additional taxes. The tax authorities have assessed income tax returns of ETW up to 2023.

## (14) Earnings per share

|                            | For the Three Months Ended<br>March 31 |        |
|----------------------------|--|--------|
|                            | 2025                                   | 2024   |
| Basic earnings per share   | \$2.50                                 | \$2.52 |
| Diluted earnings per share | \$2.46                                 | \$2.38 |

The net profit and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

|  | For the Three Months Ended<br>March 31 |           |
|--|--|-----------|
|  | 2025                                   | 2024      |
| Net profit the period attributable to owners of the Company      | \$193,246                              | \$184,654 |
| Net profit used in the computation of basic earnings per share   | \$193,246                              | \$184,654 |
| Effect of potentially dilutive net profit:                       |  |           |
| Convertible bonds (after tax)                                    | 95                                     | 827       |
| Net profit used in the computation of diluted earnings per share | \$193,341                              | \$185,481 |

#### No. of Share

|  | (In Thousands of Shares)<br>For the Three Months Ended<br>March 31 |        |
|--|--|--------|
|  | 2025   | 2024   |
| Weighted average number of ordinary shares used in the computation of basic earnings per share   | 77,356   | 73,375 |
| Effect of potentially dilutive ordinary shares   |  |        |
| Employee stock options   | 733  | 2,582  |
| Convertible bonds  | 526  | 2,112  |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | 78,615   | 78,069 |

#### 7. Transactions with related parties

Balance 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:

#### Remuneration of Key Management Personnel

The remuneration of directors and key management was determined by the remuneration committee based on the performance of individuals and market trends. Please refer to Note 6.(12)C. for details.

## 8. Assets pledged

The following assets were provided as collateral for bank borrowings. Part of loan guarantees is provided by the Chairman of the Company.

|                                  | March 31,<br>2025 | December 31,<br>2024 |
|----------------------------------|-------------------|----------------------|
| Intangible assets                | \$12,103          | \$11,752             |
| Machineries and office equipment | 15,141            | 15,698               |
| Inventories and other assets     | 79,698            | 78,086               |
| Construction in progress         | 4,919             | 1,511                |
| Total                            | <u>\$111,861</u>  | <u>\$107,047</u>     |

## 9. Commitments and contingent liabilities

None.

## 10. Losses due to major disasters

None.

## 11. Significant subsequent events

None.

## 12. Other

### (1) DISCLOSURE ON FINANCIAL INSTRUMENTS

#### A. Capital risk management

The Group's capital risk management policy is consistent as consolidated financial statements for the year ended December 31, 2024. In addition, the Group is not subject to any externally imposed capital requirements.

#### B. Fair value of financial instruments

##### (a) Fair value of financial instruments not measured at fair value

If a non-derivative instrument has short maturity, its future amount receivable and payable approximate its carrying amount, and its carrying amount provides a reasonable basis for estimation of fair value, then the fair value of which shall be estimated based on its carrying amount as shown in the balance sheet. Hence, in addition to the carrying amounts of the following financial instruments approximate their fair values.



|                              | March 31, 2025  |            | December 31, 2024 |            |
|------------------------------|-----------------|------------|-------------------|------------|
|                              | Carrying Amount | Fair Value | Carrying Amount   | Fair Value |
| <u>Financial liabilities</u> |                 |            |                   |            |
| Convertible bonds            | \$17,748        | \$17,813   | \$17,654          | \$17,739   |

(b) Fair value of financial instruments measured at fair value on a recurring basis

Fair value hierarchy

March 31, 2025

|                                  | Level 1 | Level 2 | Level 3   | Total     |
|----------------------------------|---------|---------|-----------|-----------|
| <u>Financial assets at FVTPL</u> |         |         |           |           |
| Domestic – unlisted stocks       | \$-     | \$-     | \$131,205 | \$131,205 |

December 31, 2024

|                                  | Level 1 | Level 2 | Level 3   | Total     |
|----------------------------------|---------|---------|-----------|-----------|
| <u>Financial assets at FVTPL</u> |         |         |           |           |
| Domestic – unlisted stocks       | \$-     | \$-     | \$131,205 | \$131,205 |
| Convertible bonds options        | -       | -       | 2         | 2         |
| Total                            | \$-     | \$-     | \$131,207 | \$131,207 |

There were no measurement transfers between Level 1 and Level 2 of fair value during the first quarter of 2025 and the fiscal year 2024.

(c) Reconciliation of Level 3 fair value measurements of financial instruments

For the three months ended March 31, 2025:

|   | FVTPL       |             |           |
|---|-------------|-------------|-----------|
|   |             | Equity      |           |
| Financial Assets (Liabilities)            | Derivatives | Instruments | Total     |
| Beginning balance                         | \$2         | \$131,205   | \$131,207 |
| Recognized in profit or loss              | (2)         | -           | (2)       |
| Ending balance                            | \$-         | \$131,205   | \$131,205 |
| Recognized in gains (losses) - unrealized | \$(2)       | \$-         | \$(2)     |

For the year ended December 31, 2024:

|   | FVTPL       |             |           |
|---|-------------|-------------|-----------|
|   |             | Equity      |           |
| Financial Assets (Liabilities)            | Derivatives | Instruments | Total     |
| Beginning balance                         | \$(463)     | \$131,205   | \$131,668 |
| Recognized in profit or loss              | 461         | -           | (461)     |
| Ending balance                            | \$2         | \$131,205   | \$131,207 |
| Recognized in gains (losses) - unrealized | \$(461)     | \$-         | \$(461)   |

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

None.

(e) The valuation techniques and hypothesis for Level 3 fair value measurements.

The fair value of the redemption rights and sell back rights embedded in the convertible bonds was estimated using a binary tree convertible bond valuation model, and the significant unobservable input value used was the stock price volatility. As the volatility of the stock price increases, the fair value of these redemption rights and resale rights will increase. The stock price volatility used as of March 31, 2025 and December 31, 2024, was 42.04% and 47.32%, respectively.

The fair value of non-publicly traded equity investments without an active market is estimated at the lower of the asset approach or market approach. The asset approach takes into account the net asset value measured at the fair value by independent parties. The market approach is used to arrive at their fair values, for which the recent financing activities of investees, the market transaction prices of the similar companies and market conditions are considered.

C. Categories of financial instruments

|  | March 31,<br>2025  | December 31,<br>2024 |
|--|--------------------|----------------------|
| <u>Financial assets</u>                          |                    |                      |
| Financial assets at FVTPL                        |                    |                      |
| Mandatorily at FVTPL                             | \$131,205          | \$131,205            |
| Designated as at FVTPL                           | -                  | 2                    |
| Financial assets at amortized cost (Note 1)      | 4,721,517          | 4,797,963            |
| Total  | <u>\$4,852,722</u> | <u>\$4,929,170</u>   |
| <u>Financial liabilities</u>                     |                    |                      |
| Financial liabilities at amortized cost (Note 2) | <u>\$4,089,392</u> | <u>\$3,464,220</u>   |

Note 1: The balance includes financial assets at amortized cost, which comprise cash and bank deposit, accounts receivable, other receivables and guarantee deposits, etc.

Note 2: The balances include financial liabilities at amortized cost, which comprise bank borrowings, accounts payable, other payables and convertible bonds, etc.

#### D. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash in bank, accounts receivable, other financial assets, bank borrowings and financial liabilities etc. Details of the aforementioned financial instruments have been disclosed in the consolidated financial statements.

Set out below are the risks related to the financial instruments, policies to mitigate the risks, how the management monitor the risks in order to adopt timely, appropriate and effective measures.

#### E. Financial risk information

Based on the internal report containing analysis of exposure of and amount involved in risks by financial units, the Group monitors and manages financial risks relating to the enterprise as a whole, the domestic and international financial market and the operations of the Group. These risks include market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk.

Financial units of the Group constantly report to the management. Management will then monitor the risks and execute policies according to its duties and responsibilities so as to mitigate exposure.

There is no change on the Group's type of exposure and its management and measurement thereof.

##### (a) Market risk

The Group's financial instrument transaction is exposed to foreign exchange risk and interest rate risk (refer to (b) and (c) below).

##### (b) Foreign exchange risk

The Group has foreign currency-denominated transactions that are exposed to the risk caused by fluctuation of exchange rates in the market. To monitor the risk, the responsible team of the Group reviews constantly the portion of assets and liabilities that are exposed to the risk and makes appropriate adjustment so as to control any risk arising from fluctuation of exchange rates.

Since the principal currency of the Group is the US dollar, thus the Group is exposed to risk of exchange rate fluctuation. Fortunately, the risk is mitigated as the majority of receivables and payables and bank borrowings are denominated in US dollar.

As of the reporting period, the carrying amounts of the significant foreign currency-denominated assets and liabilities that are expected to be exposed to exchange rates fluctuation were as follows:

|     | Assets            |                      |
|-----|-------------------|----------------------|
|     | March 31,<br>2025 | December 31,<br>2024 |
| USD | \$4,232,662       | \$3,842,655          |

  

|     | Liabilities       |                      |
|-----|-------------------|----------------------|
|     | March 31,<br>2025 | December 31,<br>2024 |
| USD | \$635,317         | \$654,629            |

The following table details the Company's sensitivity to a 5% increase and decrease in the foreign currency against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items designated as cash flow hedges and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with currency strengthen 5% against the relevant currency. For a 5% weakening of currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit would be negative.

|                | Currency USD Impact                             |  |
|----------------|---|--|
|                | For the Three<br>Months Ended<br>March 31, 2025 | For the Year<br>Ended December<br>31, 2024 |
| Profit or loss | \$179,867                                       | \$159,401                                  |

The management considers that the sensitivity analysis is unrepresentative of the inherent foreign exchange rate risk as the year end exposure does not reflect the exposure during the period.

(c) Interest rate risk

As the Group does not have any floating-rate borrowings, it is not exposed to interest rate fluctuations.

(d) Credit risk

The Group is exposed to credit risk in the event of the counterparties' failure to perform their obligations under the contracts. The credit risk of the Group is assessed based on the contracts with positive fair values as at the end of the reporting period. Counterparties of the Group are creditworthy financial institutes and corporate entities, and the extent of credit risk that may arise from the counterparties and their creditworthiness are reviewed annually by a special team. Therefore, it is expected that the credit risk is insignificant.

The accounts receivable of the Group concentrate in certain clients who are mainly internationally renowned brands of media players and are not connected. Credit assessments on the financial status of the clients have been conducted. Therefore, it is expected that the credit risk from accounts receivable is minimal.

The maximum exposure of the Group to credit risk is the net amount of carrying amount less amount required to be offset and impairment loss required to be recognized under relevant rules (i.e. carrying amount of financial assets), without taking into account any security and other credit enhancement. The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

(e) Liquidity risk

Appropriate management structure addressing liquidity risk is formulated by the management to monitor short, medium and long term financing and solvency. As such, the Group is not exposed to any liquidity risk attributable to failure to perform obligation under the contract due to inability to finance funds.

The table below analyzes the remaining unexpired maturity of non-derivative financial liabilities with fixed term of repayment based on the undiscounted cash flow of the financial liabilities on the earliest date that repayment shall be made on demand, and the interest and principal are included in the analysis. In respect of the interest cash flow payable at floating rates, the undiscounted interests are estimated based on yield curve as at the end of the reporting period. Maturities of contracts are estimated on the earliest date of repayment on demand. When the amount payable or receivable is not fixed, disclosure of such amount is determined based on the estimated interest rate derived from the yield curve on the balance sheet date.

| March 31, 2025                    |               |             |            |           |             |
|-----------------------------------|---------------|-------------|------------|-----------|-------------|
|                                   |               | On Demand   |            |           |             |
|                                   | Effective     | or Within   | 2 Years to | More than |             |
|                                   | Interest Rate | 1 Year      | 5 Years    | 5 Years   | Total       |
| <u>Non-interest bearing</u>       |               |             |            |           |             |
| <u>liabilities</u>                |               |             |            |           |             |
| Accounts payable                  | -             | \$2,376,080 | \$-        | \$-       | \$2,376,080 |
| Other payables                    | -             | 880,475     | -          | -         | 880,475     |
| Bonds payable                     | -             | 17,748      | -          | -         | 17,748      |
| Dividend payables                 | -             | 815,089     | -          | -         | 815,089     |
| (recognized under other payables) |               |             |            |           |             |
| <u>Interest bearing</u>           |               |             |            |           |             |
| <u>liabilities</u>                |               |             |            |           |             |
| Lease liabilities                 | 4.15%~6.75%   | 75,622      | 61,183     | 5,877     | 142,682     |
|                                   |               |             |            |           |             |
| December 31, 2024                 |               |             |            |           |             |
|                                   |               | On Demand   |            |           |             |
|                                   | Effective     | or Within   | 2 Years to | More than |             |
|                                   | Interest Rate | 1 Year      | 5 Years    | 5 Years   | Total       |
| <u>Non-interest bearing</u>       |               |             |            |           |             |
| <u>liabilities</u>                |               |             |            |           |             |
| Accounts payable                  | -             | \$2,459,538 | \$-        | \$-       | \$2,459,538 |
| Other payables                    | -             | 987,028     | -          | -         | 987,028     |
| Bonds payable                     | -             | 17,654      | -          | -         | 17,654      |
| <u>Interest bearing</u>           |               |             |            |           |             |
| <u>liabilities</u>                |               |             |            |           |             |
| Lease liabilities                 | 2.42%~6.75%   | 79,381      | 75,657     | 4,873     | 159,911     |

#### F. Financial facilities

|                    | March 31,<br>2025 | December 31,<br>2024 |
|--------------------|-------------------|----------------------|
| Secured borrowings |                   |                      |
| Amount unused      | \$1,007,316       | \$1,000,056          |

#### G. Significant assets and liabilities denominated in foreign currencies

The following information was aggregated by the foreign currencies other than functional currencies of the Group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2025

| Unit: Foreign Currencies (In Thousands) |                       |                        |                         |                           |
|---|-----------------------|------------------------|-------------------------|---------------------------|
|   | Foreign<br>Currencies | Function<br>Currencies | Exchange<br>Rate (Note) | Carrying<br>Amount (NT\$) |
| <u>Financial assets</u>                 |                       |                        |                         |                           |
| <u>Monetary items</u>                   |                       |                        |                         |                           |
| USD                                     | \$108,575             | HKD                    | 33.04                   | \$3,586,791               |
| USD                                     | 12,839                | NTD                    | 33.04                   | 424,132                   |
| USD                                     | 1,442                 | RMB                    | 33.04                   | 47,633                    |
| USD                                     | 414                   | DKK                    | 33.04                   | 13,669                    |
| USD                                     | 4,857                 | VND                    | 33.04                   | 160,437                   |
|   | <u>\$128,127</u>      |                        |                         | <u>\$4,232,662</u>        |
| <br>                                    |                       |                        |                         |                           |
|   | Foreign<br>Currencies | Function<br>Currencies | Exchange<br>Rate (Note) | Carrying<br>Amount (NT\$) |
| <u>Financial liabilities</u>            |                       |                        |                         |                           |
| <u>Monetary items</u>                   |                       |                        |                         |                           |
| USD                                     | \$14,916              | HKD                    | 33.04                   | \$492,764                 |
| USD                                     | 4,217                 | RMB                    | 33.04                   | 139,311                   |
| USD                                     | 98                    | DKK                    | 33.04                   | 3,242                     |
|   | <u>\$19,231</u>       |                        |                         | <u>\$635,317</u>          |

December 31, 2024

| Unit: Foreign Currencies (In Thousands) |                       |                        |                         |                           |
|---|-----------------------|------------------------|-------------------------|---------------------------|
|   | Foreign<br>Currencies | Function<br>Currencies | Exchange<br>Rate (Note) | Carrying<br>Amount (NT\$) |
| <u>Financial assets</u>                 |                       |                        |                         |                           |
| <u>Monetary items</u>                   |                       |                        |                         |                           |
| USD                                     | \$106,773             | HKD                    | 32.75                   | \$3,496,800               |
| USD                                     | 8,328                 | NTD                    | 32.75                   | 272,755                   |
| USD                                     | 270                   | RMB                    | 32.75                   | 8,855                     |
| USD                                     | 386                   | DKK                    | 32.75                   | 12,642                    |
| USD                                     | 1,576                 | VND                    | 32.75                   | 51,603                    |
|   | <u>\$117,333</u>      |                        |                         | <u>\$3,842,655</u>        |
| <br>                                    |                       |                        |                         |                           |
|   | Foreign<br>Currencies | Function<br>Currencies | Exchange<br>Rate (Note) | Carrying<br>Amount (NT\$) |
| <u>Financial liabilities</u>            |                       |                        |                         |                           |
| <u>Monetary items</u>                   |                       |                        |                         |                           |
| USD                                     | \$12,780              | HKD                    | 32.75                   | \$418,523                 |
| USD                                     | 4,355                 | RMB                    | 32.75                   | 142,624                   |
| USD                                     | 41                    | DKK                    | 32.75                   | 1,342                     |
| USD                                     | 2,813                 | VND                    | 32.75                   | 92,140                    |
|   | <u>\$19,989</u>       |                        |                         | <u>\$654,629</u>          |

Note: Exchange rates represent the closing exchange rate of foreign currency into New Taiwan dollars.

Information of foreign exchange gains (losses) are as follow:

|  | For the Three Months Ended<br>March 31 |                 |
|--|--|-----------------|
|  | 2025                                   | 2024            |
| Realized foreign exchange gains            | \$30,751                               | \$3,992         |
| Unrealized foreign exchange (losses) gains | (6,053)                                | 30,804          |
|  | <u>\$24,698</u>                        | <u>\$34,796</u> |

It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

(2) Reconciliation of liabilities arising from financing activities

For the three months ended March 31, 2025:

|                            | Convertible<br>Bonds | Lease<br>Liabilities | Total<br>Liabilities<br>from<br>Financing<br>Activities |
|----------------------------|----------------------|----------------------|---|
| 2025.1.1                   | \$17,654             | \$146,836            | \$164,490   |
| Cash flow                  | -                    | (21,445)             | (21,444)  |
| Non-cash changes (Note)    | 94                   | 8,703                | 8,796   |
| Exchange rate fluctuations | -                    | 1,486                | 1,486   |
| 2025.3.31                  | <u>\$17,748</u>      | <u>\$135,580</u>     | <u>\$153,328</u>  |

For the three months ended March 31, 2024:

|                            | Convertible<br>Bonds | Lease<br>Liabilities | Total<br>Liabilities<br>from<br>Financing<br>Activities |
|----------------------------|----------------------|----------------------|---|
| 2024.1.1                   | \$143,226            | \$164,929            | \$308,155   |
| Cash flow                  | -                    | (18,184)             | (18,184)  |
| Non-cash changes (Note)    | (113,825)            | 2,942                | (110,883)   |
| Exchange rate fluctuations | -                    | 2,909                | 2,909   |
| 2024.3.31                  | <u>\$29,401</u>      | <u>\$152,596</u>     | <u>\$181,997</u>  |

Note: Including amortization of convertible payables, conversion of convertible bonds into equity, acquiring assets by leasing and financial costs of lease liabilities.



### 13. Segment information

#### Operating Segments

IFRS 8 requires that operating units shall be identified based on the internal report to the chief decision maker for periodical review for the purpose of resource allocation to each component of the Group and assessment of their performance. Since the Group is engaged in the processing of speaker systems, and AV electronics products, under the model that the Hong Kong outsources production orders to the subsidiaries in PRC and Vietnam, there is no other segment which has allocated resources or whose performance has been assessed other than processing of speaker systems, earphones and AV electronics products.

Since the Group's speaker systems, earphones and AV electronics sectors have been fully integrated and centrally managed and the financial management information provided to chief decision maker has also been changed to a single segment, the entire Group's resources to be allocated to and evaluates the overall performance, no longer distinguish from the speaker system, headphones and audio-visual electronic sector. As a result, the operating information to the chief decision maker for periodical review is measured in the same way as the financial statements, which is reported by a single segment. For the three months ended March 31, 2025 and 2024, the revenue and operating results of the operating segment can be found in the consolidated income statement for the three months ended March 31, 2025 and 2024. The product revenue of the Group please refer to Note 6.(12)A.

### 14. Separately disclosed items

#### (1) Information about significant transactions and investees:

A. Financing provided to others (Table 1)

B. Endorsements/guarantees provided (Table 2)

C. Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

D. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)

E. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)

F. Intercompany relationships and significant intercompany transactions (Table 6)

(2) Information on investees

Information of investee companies (not including investees in Mainland China) (Table 7).

(3) Information on investments in mainland China

A. 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 8)

B. 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 (Table 8):

- (a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
- (b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
- (c) The amount of property transactions and the amount of the resultant gains or losses
- (d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
- (e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
- (f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

EASTECH HOLDING LIMITED AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 1

| No. | Lender | Borrower | Financial Statement Account            | Related Party | Highest Balance for the Period | Ending Balance | Actual Borrowing Amount | Interest Rate (%) | Nature of Financing               | Business Transaction Amount | Reasons for Short-term Financing | Allowance for Impairment Loss | Collateral |       | Financing Limit for Each Borrower<br>(Note 1) | Aggregate Financing Limit<br>(Note 1) | Note |
|-----|--------|----------|--|---------------|--------------------------------|----------------|-------------------------|-------------------|-----------------------------------|-----------------------------|----------------------------------|-------------------------------|------------|-------|---|---------------------------------------|------|
|     |        |          |  |               |                                |                |                         |                   |                                   |                             |                                  |                               | Item       | Value |   |                                       |      |
| 1   | EAH    | EAVN     | Other receivables from related parties | Yes           | \$198,210                      | \$198,210      | \$198,210               | \$-               | The need for short-term financing | \$-                         | Operating capital                | \$-                           | -          | \$-   | \$2,033,936                                   | \$2,033,936                           | -    |

Note1: The individual financing amount provided to parent and a subsidiary that EAH holds, directly or indirectly, 100% of the voting shares shall not exceed 100% of the net worth of EAH.

Note2: According to the Company and its subsidiaries' guidance of financing provide to others, the amount of financing limit is based on the net value of the most recent financial statements reviewed or audited by CPA. The information on the limit of endorsements/

guarantees announced by the Company in March 2025 is different from the amounts listed above, the reason is that the financial statements of EAH for the three months ended March 31, 2025 have not been reviewed by CPA at the announcement

moment, thus the Company announced the information based on the financial statements for the year ended December 31, 2024.

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 2

| No. | Endorser/Guarantor | Endorsee/Guarantee |                      | Limit on Endorsement/<br>Guarantee Given on Behalf of Each Party | Maximum Amount Endorsed/<br>Guaranteed During the Period | Outstanding Endorsement/<br>Guarantee at the End of the Period | Actual Borrowing Amount | Amount Endorsed/<br>Guaranteed by Collateral | Ratio of Accumulated Endorsement/<br>Guarantee to Net Equity in Latest Financial Statements (%) | Aggregate Endorsement/<br>Guarantee Limit (Note2) | Endorsement/<br>Guarantee Given by Parent on Behalf of Subsidiaries | Endorsement/<br>Guarantee Given by Subsidiaries on Behalf of Parent | Endorsement/<br>Guarantee Given on Behalf of Companies in Mainland China | Note      |
|-----|--------------------|--------------------|----------------------|--|--|--|-------------------------|--|---|---|---|---|--|-----------|
|     |                    | Name               | Relationship (Note1) |  |  |  |                         |  |   |   |   |   |  |           |
| 0   | The Company        | EAH                | (2)                  | \$12,099,700   | \$16,518   | \$16,518   | \$-                     | \$-  | 0.55%   | \$12,099,700                                      | Y   | N   | N  | Note 2, 3 |
| 0   | The Company        | ETH                | (2)                  | 12,099,700   | 1,143,011  | 1,143,011  | -                       | -  | 37.79%  | 12,099,700  | Y   | N   | N  | Note 2, 3 |
| 0   | The Company        | EAVN               | (2)                  | 12,099,700   | 198,210  | 198,210  | -                       | -  | 6.55%   | 12,099,700  | Y   | N   | N  | Note 2, 3 |
| 0   | The Company        | EAHZ               | (2)                  | 12,099,700   | 113,605  | 113,605  | -                       | -  | 3.76%   | 12,099,700  | Y   | N   | Y  | Note 2, 3 |
| 1   | EAH                | The Company        | (3)                  | 2,033,936  | 22,900   | 22,900   | 18,000                  | -  | 1.13%   | 2,033,936   | N   | Y   | N  | Note 2, 3 |
| 2   | ETH                | The Company        | (3)                  | 383,643  | 2,290  | 2,290  | -                       | -  | 0.60%   | 383,643   | N   | Y   | N  | Note 2, 3 |

Note 1:Relationship of the guarantee:

- (2)Entities that Company hold, directly or indirectly, more than 50% of voting shares.
- (3)Companies hold, directly or indirectly, more than 50% of voting share of entities.

Note 2:The Company's limitations of the endorsements/guarantees are set forth below:

- (1)The total amount of the guarantee provided by the Company to other entities shall not exceed four hundred percent (400%) of the Company's consolidated net worth.
- (2)The total amount of the guarantee provided by the Company and its subsidiaries to any individual entity shall not exceed five hundred percent (500%) of the Company's consolidated net worth.

EAH and ETH's limitation of the endorsements/guarantees are set forth below:

- (1)The total amount of the guarantee provided by EAH to other entities shall not exceed one hundred percent (100%) of the Company's consolidated net worth.
- (2)The total amount of the guarantee provided by ETH to other entities shall not exceed one hundred percent (100%) of the Company's net worth.

Note 3:According to the Company's guidance of endorsement/guarantees provided, the amount of endorsement/guarantees is based on the net value of the most recent financial statements reviewed or audited by CPA. The information on the limit of endorsements/guarantees announced by the Company on March 2025 is different from the amounts listed above, the reason is that the financial statements for the three months ended March 31, 2025 have not been reviewed by CPA at the announcement moment, thus the Company announced the information based on the financial statements of EAH and ETH for the year ended December 31, 2024.

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
MARKETABLE SECURITIES HELD  
MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 3

| Holding Company Name | Type and Name of Marketable       | Type and Name of Marketable     | Relationship with the Holding Company | Financial Statement Account | MARCH 31, 2025   |                 |                             |            | Remarks |
|----------------------|-----------------------------------|---------------------------------|---------------------------------------|-----------------------------|------------------|-----------------|-----------------------------|------------|---------|
|                      |                                   |                                 |                                       |                             | Number of Shares | Carrying Amount | Percentage of Ownership (%) | Fair Value |         |
| ETW                  | Taiwan publicly traded stocks     | Eastech Holding Limited         | Parent and subsidiary                 | FVTPL - non-current         | 453,000          | \$49,604        | 1%                          | \$49,604   | Note 1  |
| ETW                  | Taiwan non-publicly traded stocks | HT Precision Technologies, Inc. | -                                     | FVTPL - non-current         | 6,660,141        | 131,205         | 19%                         | 131,205    |         |

Note 1: The stocks are held by the Company's subsidiary; hence, the investment is accounted for treasury shares.

EASTECH HOLDING LIMITED 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 THREE MONTHS ENDED MARCH 31, 2025

(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 4

| Buyer | Related Party | Relationship          | Transaction Details |           |            |                  | Abnormal Transaction |                  | Notes/Accounts Receivable (Payable) |            | Remarks |
|-------|---------------|-----------------------|---------------------|-----------|------------|------------------|----------------------|------------------|-------------------------------------|------------|---------|
|       |               |                       | Purchase/<br>Sale   | Amount    | % of Total | Payment<br>Terms | Unit Price           | Payment<br>Terms | Ending<br>Balance                   | % of Total |         |
| EAH   | EAVN          | Parent and subsidiary | Purchase            | \$920,447 | 77%        | 90 days          | \$-                  | -                | \$(4,055)                           | -%         | Note 1  |
| ETH   | EAHZ          | Fellow subsidiary     | Purchase            | 826,474   | 62%        | 90 days          | -                    | -                | (1,116,421)                         | (55%)      | Note 1  |
| ETH   | EAVN          | Fellow subsidiary     | Purchase            | 462,137   | 35%        | 90 days          | -                    | -                | (310,065)                           | (15%)      | Note 1  |
| EAVN  | EAH           | Parent and subsidiary | Purchase            | 254,908   | 20%        | 90 days          | -                    | -                | 4,055                               | -%         | Note 1  |
| EAVN  | ESZ           | Fellow subsidiary     | Purchase            | 320,942   | 25%        | 90 days          | -                    | -                | (437,735)                           | (25%)      | Note 1  |
| EAHZ  | ETH           | Fellow subsidiary     | Sale                | (826,474) | (81%)      | 90 days          | -                    | -                | 1,116,421                           | 89%        | Note 1  |
| EAH   | EAVN          | Parent and subsidiary | Sale                | (254,908) | (20%)      | 90 days          | -                    | -                | (4,055)                             | -%         | Note 1  |
| ESZ   | EAVN          | Fellow subsidiary     | Sale                | (320,942) | (100%)     | 90 days          | -                    | -                | 437,735                             | 100%       | Note 1  |
| EAVN  | EAH           | Parent and subsidiary | Sale                | (920,447) | (66%)      | 90 days          | -                    | -                | 4,055                               | -%         | Note 1  |
| EAVN  | ETH           | Fellow subsidiary     | Sale                | (462,137) | (33%)      | 90 days          | -                    | -                | 310,065                             | 30%        | Note 1  |

Note 1: Intercompany transactions are eliminated in consolidated financial statement.

EASTECH HOLDING LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2025

(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 5

| Company Name | Related Party | Relationship      | Ending Balance | Turnover Rate | Overdue |               | Amount Received in Subsequent Period | Allowance for Impairment Loss |
|--------------|---------------|-------------------|----------------|---------------|---------|---------------|--------------------------------------|-------------------------------|
|              |               |                   |                |               | Amount  | Actions Taken |                                      |                               |
| EAHZ         | ETH           | Fellow subsidiary | \$1,116,421    | 2.91          | \$-     | -             | \$207,116                            | \$-                           |
| ESZ          | EAVN          | Fellow subsidiary | 437,735        | 3.29          | -       | -             | 119,336                              | -                             |
| EAVN         | ETH           | Fellow subsidiary | 310,065        | 5.96          | -       | -             | 32,744                               | -                             |

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 6

| No.<br>(Note 1) | Investee Company | Counterparty | Relationship<br>(Note 2) | Transactions   |           |   |   |
|-----------------|------------------|--------------|--------------------------|--|-----------|---|---|
|                 |                  |              |                          | Financial Statement Accounts                                 | Amount    | Payment Terms   | % of Total Sales<br>or Assets<br>(Note 3) |
| 0               | EASTECH          | EAH          | 1、2                      | Other income   | \$688,931 | Dividend Income   | 26%                                       |
| 0               | EASTECH          | EAH          | 1、2                      | Other receivables from and other payables to related parties | 540,165   | Short-term financing and Collection and payment<br>on behalf of another party | 7%  |
| 1               | EAH              | ESZ          | 1、2                      | Other income   | 32,861    | Dividend Income   | 1%  |
| 1               | EAH              | ETH          | 1、2                      | Other income   | 533,691   | Dividend Income   | 20%                                       |
| 1               | EAH              | EAVN         | 1、2                      | Other receivables from and other payables to related parties | 198,210   | Short-term financing, 1 year loan   | 3%  |
| 1               | EAH              | EAVN         | 1、2                      | Net sales from sale of goods and purchase                    | 254,908   | Credit on transfer pricing policy   | 9%  |
| 1               | EAH              | ETH          | 1、2                      | Receivables from and payables to related parties             | 536,158   | 90 days   | 7%  |
| 2               | EAVN             | EAH          | 1、2                      | Net sales from sale of goods and purchase                    | 920,447   | Credit on transfer pricing policy   | 34%                                       |
| 2               | EAVN             | ETH          | 3                        | Net sales from sale of goods and purchase                    | 462,137   | Credit on transfer pricing policy   | 17%                                       |
| 2               | EAVN             | ETH          | 3                        | Receivables from and payables to related parties             | 310,065   | 90 days   | 4%  |
| 3               | EAHZ             | EAH          | 1、2                      | Net sales from sale of goods and purchase                    | 14,408    | Credit on transfer pricing policy   | 1%  |
| 3               | EAHZ             | ETH          | 3                        | Net sales from sale of goods and purchase                    | 826,474   | Credit on transfer pricing policy   | 31%                                       |
| 3               | EAHZ             | ETH          | 3                        | Receivables from and payables to related parties             | 1,116,421 | 90 days   | 15%                                       |
| 4               | ESZ              | EAVN         | 3                        | Net sales from sale of goods and purchase                    | 320,942   | Credit on transfer pricing policy   | 12%                                       |
| 4               | ESZ              | EAVN         | 3                        | Receivables from and payables to related parties             | 437,735   | 90 days   | 6%  |
| 5               | ETW              | ETH          | 3                        | Other revenue and general and administrative expense         | 19,650    | 90 days   | 1%  |

Note 1: For the disclosure of intercompany transactions within the Group, individual code numbers are assigned to each entity of the Group, which are set forth below:

(1) No. 0 represents the parent company.

(2) The code number for the subsidiaries is listed below:

No. 1: EAH; No. 2: EAVN; No. 3: EAHZ; No. 4: ESZ; No. 5: ETW.

Note 2: There are NINE categories of the related party transactions:

(1) Parent company to its subsidiary.

(2) Subsidiary to its parent company.

(3) Subsidiary to other subsidiary.

Note 3: In calculation the weight percentages of related party transactions over total sales or total assets, the consolidated total assets is used for calculating the balance sheet item, whereas the consolidated sales up to date is used for calculating the profit and loss items.



EASTECH HOLDING LIMITED AND SUBSIDIARIES  
INFORMATION ON INVESTEEES  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 7

| Investor Company | Investee Company<br>(Note 1、2) | Location  | Main Businesses and Products   | Original Investment Amount |                      | As of March 31, 2025 |         |                                | Net Income<br>(Loss) of the<br>Investee | Share of Profit<br>(Loss)<br>(Note 1) | Remarks |
|------------------|--------------------------------|-----------|--|----------------------------|----------------------|----------------------|---------|--------------------------------|---|---------------------------------------|---------|
|                  |                                |           |  | March 31,<br>2025          | December 31,<br>2024 | Number<br>of Shares  | %       | Carrying<br>Amount<br>(Note 1) |   |                                       |         |
| The Company      | EAH                            | Hong Kong | Sales of speaker systems and headphones  | \$1,341,546                | \$1,341,546          | 80,000,000           | 100.00% | \$1,341,546                    | \$634,784                               | \$-                                   |         |
| EAH              | ScS                            | Denmark   | Research, development, production and sales of high-end transducers  | 225,530                    | 225,530              | 1,320,045            | 100.00% | 106,652                        | (911)                                   | -                                     |         |
| EAH              | ESG                            | Singapore | Research and development of system architecture/new product concept/state-of-the-art products/sound and acoustics advance technology | 1,056                      | 1,056                | 50,000               | 100.00% | 1,056                          | 9,344                                   | -                                     |         |
| EAH              | EAVN                           | Vietnam   | Production, assembly and sales of transducer speakers, bluetooth speakers and headphones   | 238,206                    | 238,206              | -                    | 100.00% | 238,206                        | 69,538                                  | -                                     |         |
| EAH              | ETW                            | Taiwan    | New technology research, product design and development  | 215,000                    | 215,000              | 21,500,000           | 100.00% | 185,000                        | 18,638                                  | -                                     |         |
| EAH              | ETH                            | Hong Kong | Sales of smart speakers, AV electronics home entertainment systems and headphones  | 201,653                    | 201,653              | 115,000,000          | 100.00% | 201,653                        | 6,499                                   | -                                     |         |

Note 1: Based on IAS 27 Paragraph 10: The investments in subsidiaries are account for at cost less impairment. Dividends from a subsidiary are recognized in profit or loss.

Note 2: Please refer to Table 8 for the information on investments in mainland China.

EASTECH HOLDING LIMITED AND SUBSIDIARIES  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Table 8

1.Information of investee company, main business and products, total amount of paid-in capital, method of investment, remittance of funds, net income of the investee, % of ownership, carrying amount of investments and repatriation of investment income:

| Investee Company | Main Businesses and Products   | Total Amount of Paid-in Capital (Note 1) | Method of Investment (Note 2) | Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 | Remittance of Funds |        | Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) (Note 3) | Carrying Amount as of March 31, 2025 (Note 3) | Accumulated Repatriation of Investment Income as of March 31, 2025 |
|------------------|--|--|-------------------------------|---|---------------------|--------|--|-----------------------------------|--|---------------------------------|---|--|
|                  |  |  |                               |   | Outward             | Inward |  |                                   |  |                                 |   |  |
| EAHZ             | Production, assembly and sales of speaker systems, accessories, headphones, smart speakers and AV electronics home entertainment systems | US\$19,303 in thousand                   | (3)                           | -   | -                   | -      | -  | (12,561)                          | 100.00%                                      | -                               | 560,860                                       | -  |
| ESZ              | Import and export trading of audio accessories, machinery and equipment, etc.  | RMB2,000 in thousand                     | (2)                           | -   | -                   | -      | -  | 3,481                             | 100.00%                                      | -                               | -   | -  |

2.Upper limit on the amount of investment in mainland China:

| Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025 | Investment Amount Authorized by Investment Commission, MOEA | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA |
|--|---|---|
| N/A (Note 2)   | N/A (Note 2)  | N/A (Note 2)  |

3.The significant transactions (including purchases and sales, property transactions, and the rendering or receipt of services) with investee companies in mainland China, either directly or indirectly through a third party: Please see Table 6.

4.The negotiable instrument endorsements or guarantees or pledges with investee companies in mainland China, either directly or indirectly through a third party: Table 2.

5.The financing of funds with investee companies in mainland China, either directly or indirectly through a third party: Table 1.

Note 1: The amounts are represented registered capital.

Note 2: The Method of Investment is divided into 3 types as follows:

- (1)Direct investment from the Company.
- (2)Indirect investment via the Company's subsidiary in Hong Kong.
- (3)The Company was established in the Cayman Islands and is a foreign company listed in Taiwan. The companies located in China had established before the Company listed in Taiwan, so the main source of investment funds were not come from Taiwan.

Note 3:

- (1)If the investee company is in preparation, and no investment income and losses are recognized, it should be noted.
- (2)Recognized investment income (loss):
  - A.The basis for investment income (loss) recognition is from the financial statements audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
  - B.The basis for investment income (loss) recognition is from the financial statements audited and attested by R.O.C. parent company's CPA.
  - C.Other. (Based on IAS 27: The investments in subsidiaries are account for at cost less impairment. Dividends from a subsidiary are recognized in profit or loss.)