

**NANYA TECHNOLOGY CORPORATION AND
SUBSIDIARIES**

Consolidated Financial Statements

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

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

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Independent Auditors' Review Report

To the Board of Directors of Nanya Technology Corporation :

Introduction

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

Scope of Review

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

Conclusion

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

The engagement partners on the reviews resulting in this independent auditors' review report are Jhang, Jhao-Wun and Lee, Tzu-Hui.

KPMG

Taipei, Taiwan (Republic of China)
November 4, 2025

Notes to Readers

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

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

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

Nanya Technology Corporation and Subsidiaries

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity		September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (Note 6(a))	\$ 52,313,170	26	61,902,779	30	61,157,437	30	2100	Short-term borrowings (Notes 6(i) and (z))	\$ 7,613,000	4	14,536,000	7	15,250,000	8
1170	Accounts receivable, net (Notes 6(c) and (t))	10,632,645	5	4,132,016	2	5,164,831	3	2110	Short-term notes payable (Notes 6(j) and (z))	-	-	6,734,090	3	3,597,411	2
1180	Accounts receivable due from related parties, net (Notes 6(c), (t) and 7)	6,000	-	-	-	-	-	2170	Accounts payable	5,296,168	3	5,008,693	3	4,488,208	2
1200	Other receivables (Note 6(d))	3,675,140	2	3,908,000	2	3,909,838	2	2180	Accounts payable to related parties (Note 7)	126,367	-	171,043	-	127,545	-
1310	Inventories (Note 6(e))	32,063,706	16	35,318,045	17	31,606,529	15	2200	Other payables	4,716,649	2	4,337,915	2	4,410,221	2
1410	Prepayments	1,476,222	-	1,421,633	1	1,870,657	1	2220	Other payables to related parties (Note 7)	1,370,595	1	1,501,159	1	1,526,935	1
1470	Other current assets	1,712,492	1	1,263,364	-	859,514	-	2230	Current tax liabilities	-	-	55,996	-	-	-
	Total current assets	<u>101,879,375</u>	<u>50</u>	<u>107,945,837</u>	<u>52</u>	<u>104,568,806</u>	<u>51</u>	2280	Current lease liabilities (Notes 6(m), (z) and 7)	453,290	-	417,230	-	415,985	-
	Non-current assets:							2399	Other current liabilities(Note 6(n))	115,316	-	17,855	-	17,100	-
1517	Non-current financial assets at fair value through other comprehensive income	26,456	-	27,820	-	26,697	-		Total current liabilities	<u>19,691,385</u>	<u>10</u>	<u>32,779,981</u>	<u>16</u>	<u>29,833,405</u>	<u>15</u>
1535	Non-current financial assets at amortized cost, net (Notes 6(b) and 8)	726,180	-	723,586	-	731,232	-		Non-Current liabilities:						
1550	Investments accounted for using equity method (Note 6(f))	5,344,544	3	4,644,768	3	4,836,790	3	2530	Bonds payable (Notes 6(k) and (z))	3,995,800	2	3,994,900	2	3,994,600	2
1600	Property, plant and equipment (Notes 6(g), (z), 7 and 8)	84,596,677	42	84,327,212	41	84,696,283	42	2540	Long-term borrowings (Notes 6(l), (z) and 8)	16,500,000	8	-	-	-	-
1755	Right-of-use assets (Notes 6(h) and 7)	4,340,083	2	4,349,468	2	4,440,139	2	2570	Deferred tax liabilities (Note 6(p))	32,033	-	5,304	-	4,000	-
1780	Intangible assets	584,689	-	688,288	-	749,984	-	2580	Non-current lease liabilities (Notes 6(m), (z) and 7)	4,015,488	2	4,037,118	2	4,121,951	2
1840	Deferred tax assets (Note 6(p))	4,931,001	3	3,880,696	2	3,480,190	2	2640	Net defined benefit liability, non-current (Note 6(o))	419,711	-	430,645	-	491,599	-
1990	Other non-current assets	133,632	-	118,642	-	119,201	-	2670	Other non-current liabilities (Notes 6(b) and (z))	565,359	-	405,094	-	450,011	-
	Total non-current assets	<u>100,683,262</u>	<u>50</u>	<u>98,760,480</u>	<u>48</u>	<u>99,080,516</u>	<u>49</u>		Total non-current liabilities	<u>25,528,391</u>	<u>12</u>	<u>8,873,061</u>	<u>4</u>	<u>9,062,161</u>	<u>4</u>
									Total liabilities	<u>45,219,776</u>	<u>22</u>	<u>41,653,042</u>	<u>20</u>	<u>38,895,566</u>	<u>19</u>
									Equity (Note 6(q)):						
								3110	Ordinary shares	30,986,279	15	30,986,279	15	30,986,279	15
								3200	Capital surplus	32,992,534	17	32,834,294	16	32,834,236	16
								3310	Legal reserve	18,626,223	9	18,626,223	9	18,626,223	9
								3350	Unappropriated retained earnings	74,372,338	37	78,851,756	38	80,380,153	40
								3400	Other equity interest	365,487	-	3,754,723	2	1,926,865	1
									Total equity	<u>157,342,861</u>	<u>78</u>	<u>165,053,275</u>	<u>80</u>	<u>164,753,756</u>	<u>81</u>
									Total liabilities and equity	<u>\$ 202,562,637</u>	<u>100</u>	<u>206,706,317</u>	<u>100</u>	<u>203,649,322</u>	<u>100</u>
	Total assets	<u>\$ 202,562,637</u>	<u>100</u>	<u>206,706,317</u>	<u>100</u>	<u>203,649,322</u>	<u>100</u>								

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Nanya Technology Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the three months and nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the three months ended September 30,				For the nine months ended September 30,				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Operating revenue (Notes 6(t) and 7)	\$ 18,778,868	100	8,132,593	100	36,492,902	100	27,556,573	100
5000	Operating costs (Notes 6(e), (g), (h), (m), (n), (o), (r), 7 and 10)	<u>15,314,997</u>	<u>82</u>	<u>7,868,968</u>	<u>97</u>	<u>36,267,546</u>	<u>99</u>	<u>27,282,608</u>	<u>99</u>
	Total gross profit from operations	3,463,871	18	263,625	3	225,356	1	273,965	1
5910	Less: Unrealized profit from sales	(165)	-	-	-	(165)	-	-	-
5920	Realized profit (loss) on from sales	<u>1,141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Gross (loss) profit from operations	<u>3,464,847</u>	<u>18</u>	<u>263,625</u>	<u>3</u>	<u>225,191</u>	<u>1</u>	<u>273,965</u>	<u>1</u>
	Operating expenses (Notes 6(g), (h), (m), (o), (r) and 7):								
6100	Selling expenses	206,957	1	165,096	2	540,910	2	482,859	2
6200	Administrative expenses	467,144	2	465,844	6	1,307,875	4	1,338,336	5
6300	Research and development expenses	<u>1,671,588</u>	<u>9</u>	<u>2,138,055</u>	<u>26</u>	<u>4,913,770</u>	<u>13</u>	<u>6,195,586</u>	<u>22</u>
	Total operating expenses	<u>2,345,689</u>	<u>12</u>	<u>2,768,995</u>	<u>34</u>	<u>6,762,555</u>	<u>19</u>	<u>8,016,781</u>	<u>29</u>
	Net operating loss	<u>1,119,158</u>	<u>6</u>	<u>(2,505,370)</u>	<u>(31)</u>	<u>(6,537,364)</u>	<u>(18)</u>	<u>(7,742,816)</u>	<u>(28)</u>
	Non-operating income and expenses (Notes 6(f), (g), (m), (v) and 7):								
7100	Interest income	568,053	3	843,182	11	1,904,004	5	2,556,856	9
7020	Other gains and losses, net	356,246	2	(84,159)	(1)	(587,677)	(1)	721,213	3
7050	Finance costs	(154,827)	(1)	(102,921)	(1)	(452,153)	(1)	(273,779)	(1)
7060	Share of profit of associates accounted for using equity method, net	<u>134,306</u>	<u>1</u>	<u>21,331</u>	<u>-</u>	<u>172,307</u>	<u>-</u>	<u>94,220</u>	<u>-</u>
	Total non-operating income and expenses	<u>903,778</u>	<u>5</u>	<u>677,433</u>	<u>9</u>	<u>1,036,481</u>	<u>3</u>	<u>3,098,510</u>	<u>11</u>
7900	Loss before tax	2,022,936	11	(1,827,937)	(22)	(5,500,883)	(15)	(4,644,306)	(17)
7950	Income tax profit (Note 6(p))	<u>459,602</u>	<u>3</u>	<u>(341,247)</u>	<u>(4)</u>	<u>(1,021,465)</u>	<u>(3)</u>	<u>(1,134,643)</u>	<u>(4)</u>
	Loss	<u>1,563,334</u>	<u>8</u>	<u>(1,486,690)</u>	<u>(18)</u>	<u>(4,479,418)</u>	<u>(12)</u>	<u>(3,509,663)</u>	<u>(13)</u>
8300	Other comprehensive income (loss) (Notes 6(o), (p) and (q)):								
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss								
8316	Unrealized profit from investments in equity instruments measured at fair value through other comprehensive income	708	-	(624)	-	(1,088)	-	396	-
8320	Share of other comprehensive income of associates accounted for using equity method	105,966	1	(111,302)	(1)	121,464	-	(250,341)	(1)
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>142</u>	<u>-</u>	<u>(125)</u>	<u>-</u>	<u>(217)</u>	<u>-</u>	<u>79</u>	<u>-</u>
	Components of other comprehensive loss that will not be reclassified to profit or loss	<u>106,532</u>	<u>1</u>	<u>(111,801)</u>	<u>(1)</u>	<u>120,593</u>	<u>-</u>	<u>(250,024)</u>	<u>(1)</u>
8360	Components of other comprehensive loss that may be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	919,371	5	(1,400,573)	(18)	(3,509,285)	(10)	1,577,810	6
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	498	-	-	-	(544)	-	-	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Components of other comprehensive income that may be reclassified to profit or loss	<u>919,869</u>	<u>5</u>	<u>(1,400,573)</u>	<u>(18)</u>	<u>(3,509,829)</u>	<u>(10)</u>	<u>1,577,810</u>	<u>6</u>
8300	Other comprehensive income, net	<u>1,026,401</u>	<u>6</u>	<u>(1,512,374)</u>	<u>(19)</u>	<u>(3,389,236)</u>	<u>(10)</u>	<u>1,327,786</u>	<u>5</u>
8500	Comprehensive (loss) income	<u>\$ 2,589,735</u>	<u>14</u>	<u>(2,999,064)</u>	<u>(37)</u>	<u>(7,868,654)</u>	<u>(22)</u>	<u>(2,181,877)</u>	<u>(8)</u>
	loss per share (Note 6(s))								
9750	Basic loss per share	<u>\$ 0.50</u>		<u>(0.48)</u>		<u>(1.45)</u>		<u>(1.13)</u>	
9850	Diluted earnings per share	<u>\$ 0.50</u>				<u>(1.45)</u>			

See accompanying notes to consolidated financial statements.

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

Nanya Technology Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Unappropriated retained earnings	Other equity interest		Total other equity interest	Total equity
						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance at January 1, 2024	\$ 30,981,209	1,505	32,826,323	18,626,223	83,889,816	896,519	(297,440)	599,079	166,924,155
Net loss for the nine months ended September 30, 2024	-	-	-	-	(3,509,663)	-	-	-	(3,509,663)
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	1,577,810	(250,024)	1,327,786	1,327,786
Total comprehensive (loss) income for the nine months ended September 30, 2024	-	-	-	-	(3,509,663)	1,577,810	(250,024)	1,327,786	(2,181,877)
Other changes in capital surplus:									
Changes in equity of associates accounted for using equity method	-	-	25	-	-	-	-	-	25
Exercise of employee share options	5,070	(1,505)	7,888	-	-	-	-	-	11,453
Balance at September 30, 2024	\$ 30,986,279	-	32,834,236	18,626,223	80,380,153	2,474,329	(547,464)	1,926,865	164,753,756
Balance at January 1, 2025	\$ 30,986,279	-	32,834,294	18,626,223	78,851,756	4,502,042	(747,319)	3,754,723	165,053,275
Net loss for the nine months ended September 30, 2025	-	-	-	-	(4,479,418)	-	-	-	(4,479,418)
Other comprehensive (loss) income for the nine months ended September 30, 2025	-	-	-	-	-	(3,509,829)	120,593	(3,389,236)	(3,389,236)
Total comprehensive (loss) income for the nine months ended September 30, 2025	-	-	-	-	(4,479,418)	(3,509,829)	120,593	(3,389,236)	(7,868,654)
Other changes in capital surplus:									
Changes in equity of associates accounted for using equity method	-	-	25	-	-	-	-	-	25
Share-based payment	-	-	157,735	-	-	-	-	-	157,735
Past due unclaimed dividends	-	-	480	-	-	-	-	-	480
Balance at September 30, 2025	\$ 30,986,279	-	32,992,534	18,626,223	74,372,338	992,213	(626,726)	365,487	157,342,861

See accompanying notes to consolidated financial statements.

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

Nanya Technology Corporation and Subsidiaries**Consolidated Statements of Cash Flows****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	For the nine months ended September 30,	
	2025	2024
Cash flows from (used in) operating activities		
Loss before tax	\$ (5,500,883)	(4,644,306)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	11,137,837	11,957,387
Amortization expense	184,149	189,155
Interest expense	452,153	273,779
Interest income	(1,904,004)	(2,556,856)
Share-based payment	157,735	-
Share of profit of associates accounted for using equity method	(172,307)	(94,220)
(Gain) loss on disposal of property, plant and equipment	1,670	1,937
Impairment loss on non-financial assets	16,814	6,526
Unrealized profit from sales	165	-
Unrealized foreign exchange (gain) loss	(123,915)	71,198
Gain on lease modification	(10)	(142)
Total adjustments to reconcile profit	9,750,287	9,848,764
Changes in operating assets and liabilities:		
Accounts receivable (including related parties)	(6,383,033)	(2,032)
Other receivables (including related parties)	51,552	(761,452)
Inventories	3,254,339	(3,972,130)
Prepayments	(38,679)	(1,121,324)
Other current assets	(449,128)	(212,902)
Accounts payable (including related parties)	403,702	(537,851)
Other payables (including related parties)	286,794	908,568
Other current liabilities	97,461	(361)
Net defined benefit liability	(10,934)	(14,088)
Other non-current liabilities	5,196	25,639
Total net changes used in operating assets and liabilities	(2,782,730)	(5,687,933)
Cash inflow (used in) from operations	1,466,674	(483,475)
Interest received	2,084,436	2,891,675
Interest paid	(428,880)	(242,933)
Income taxes (paid) refunded	(58,574)	2,294
Net cash flows (used in) from operating activities	3,063,656	2,167,561
Cash flows used in investing activities:		
Acquisition of financial assets at amortized cost	(2,508)	-
Acquisition of financial assets designated at fair value through other comprehensive income	-	(6,000)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	276	-
Acquisition of investments accounted for using equity method	(611,880)	-
Acquisition of property, plant and equipment	(11,205,466)	(12,770,731)
Proceeds from disposal of property, plant and equipment	4,867	1,149
Increase in refundable deposits	14,269	(3,441)
Acquisition of intangible assets	(185,631)	(112,631)
Increase in other non-current assets	(35,909)	727
Dividends received	205,191	127,360
Net cash flows used in investing activities	(11,816,791)	(12,763,567)
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings	(6,923,000)	4,069,000
Decrease in short-term loans borrowings	16,500,000	-
(Decrease) increase in short-term notes payable	(6,750,000)	3,600,000
Proceed from issuing bonds	-	4,000,000
Payment on cost of issuing bonds	-	(6,000)
(Decrease) increase in guarantee deposits received	172,040	7,126
Payment of lease liabilities	(326,915)	(304,968)
Exercise of employee share options	-	11,453
Net cash flows from financing activities	2,672,125	11,376,611
Effect of exchange rate changes on cash and cash equivalents	(3,508,599)	1,564,789
Net (decrease) increase in cash and cash equivalents	(9,589,609)	2,345,394
Cash and cash equivalents at beginning of period	61,902,779	58,812,043
Cash and cash equivalents at end of period	\$ 52,313,170	61,157,437

See accompanying notes to consolidated financial statements.

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

Nanya Technology Corporation and Subsidiaries

Notes to the Consolidated Financial Statements

September 30, 2025 and 2024

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

(1) Company history

Nanya Technology Corporation (the “Company”) was legally established with the approval of the Ministry of Economic Affairs on March 4, 1995, with registered address at No.98 Nanlin Road Dake Vil., Taishan District, New Taipei City, Taiwan. The main operating activities of the Company and its subsidiary (the “Group”) are researching, developing, manufacturing and selling semiconductor products, and the import and export of its machinery, equipment and raw materials.

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

The consolidated financial statements were authorized for issuance by the Board of Directors on November 4, 2025.

(3) New standards, amendments and interpretations adopted:

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

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

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

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

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

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

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

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

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

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

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

(4) Summary of material accounting policies:

(a) Statement of compliance

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

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

(b) Basis of consolidation

(i) List of subsidiaries included in the consolidated financial statements:

Investor	The name of subsidiaries	Business activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	NANYA TECHNOLOGY CORP. U.S.A	Sales of semiconductor products	100.00 %	100.00 %	100.00 %	
The Company	NANYA TECHNOLOGY CORP. Delaware	Design of semiconductor products	100.00 %	100.00 %	100.00 %	
The Company	NANYA TECHNOLOGY CORP. H.K.	Sales of semiconductor products	100.00 %	100.00 %	100.00 %	
The Company	NANYA TECHNOLOGY CORP. Japan	Sales of semiconductor products	100.00 %	100.00 %	100.00 %	
The Company	NANYA TECHNOLOGY INTERNATIONAL LTD.	General investment business	100.00 %	100.00 %	100.00 %	
The Company	MEMOLEAD TECHNOLOGY CORP.	Design and sales of products	100.00 %	- %	- %	Note
NANYA TECHNOLOGY CORP. H.K.	NANYA TECHNOLOGY CORP., Europe GmbH	Sales of semiconductor products	100.00 %	100.00 %	100.00 %	
NANYA TECHNOLOGY CORP. H.K.	NANYA TECHNOLOGY CORP. Shenzhen	Sales of semiconductor products	100.00 %	100.00 %	100.00 %	

Note: MemoLead Technology Corp. was officially registered and established on August 29, 2025, and has since been included in the consolidated financial statements.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Subsidiaries not included in the consolidated financial statements: None.

(c) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(d) Provision

The recognition of provisions is due to present obligations arising from past events, which makes it probable that the Group will be required to outflow resources embodying economic benefits to settle the obligations in the future, and the amount of such obligations can be reliably estimated.

(i) Carbon fees

Carbon fees levied in accordance with Taiwan's Climate Change Response Act and Regulations Governing the Collection of Carbon Fees are recognized when the annual greenhouse gas emissions probably exceed the threshold, and the amount is estimated based on the proportion of greenhouse gas emissions that have occurred as of the reporting date divided by the total annual greenhouse gas emissions.

(e) Employee benefit

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, and was adjusted according to material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period and allocated to current and deferred taxes based on its proportionate size.

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

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

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

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

(6) Explanation of significant accounts:

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 of the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Petty cash	\$ 60	72	29
Checking accounts and demand deposits	2,270,851	2,426,797	4,486,859
Cash equivalents:			
Time deposits	50,042,259	59,175,910	56,670,549
Commercial paper	-	300,000	-
	<u>\$ 52,313,170</u>	<u>61,902,779</u>	<u>61,157,437</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(b) Non-current financial assets at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
Restricted Demand Deposits	\$ 844	822	8,468
Restricted Time Deposits	<u>725,336</u>	<u>722,764</u>	<u>722,764</u>
	<u>\$ 726,180</u>	<u>723,586</u>	<u>731,232</u>

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

(i) For credit risk, please refer to note 6(w).

(ii) For the details of financial assets pledged as collateral, please refer to note 8.

(c) Accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	\$ 10,632,645	4,132,016	5,164,831
Accounts receivable- related parties	<u>6,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 10,638,645</u>	<u>4,132,016</u>	<u>5,164,831</u>

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

The loss allowance provision for notes and accounts receivable was determined as follows:

	September 30, 2025		
Due days	Accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 10,439,693	-	-
1 to 30 days past due	<u>198,952</u>	-	<u>-</u>
	<u>\$ 10,638,645</u>		<u><u>-</u></u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2024			
Due days	Accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 4,072,146	-	-
1 to 30 days past due	59,870	-	-
	\$ 4,132,016		-
September 30, 2024			
Due days	Accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 5,154,242	-	-
1 to 30 days past due	10,589	-	-
	\$ 5,164,831		-

The Group did not recognize any allowance for impairment loss as there were no uncollected accounts receivable that were past due as of September 30, 2025, December 31 and September 30, 2024.

Please refer to Note 6(w) for other information of credit risk.

(d) Other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Tax refund receivable	\$ 3,225,242	3,294,005	3,167,027
Interest receivable	420,239	600,671	637,723
Others	29,659	13,324	105,088
	\$ 3,675,140	3,908,000	3,909,838

Please refer to Note 6(w) for other information of credit risk.

(e) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 381,078	479,350	389,187
Work in progress	17,199,432	14,256,079	12,357,689
Finished goods	14,483,196	20,582,616	18,859,653
	\$ 32,063,706	35,318,045	31,606,529

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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The details of the cost of sales were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Inventory that has been sold	\$ 15,563,336	7,240,605	35,936,845	25,570,498
Write-down of inventories	(414,875)	10,440	(226,399)	164,032
Unallocated production overheads	134,994	496,947	481,702	1,244,576
Others	31,542	120,976	75,398	303,502
	<u>\$ 15,314,997</u>	<u>7,868,968</u>	<u>36,267,546</u>	<u>27,282,608</u>

The improvements in factors related to inventory write-downs to net realizable value resulted in the reversal gains of \$414,875 and \$226,399 to be recognized for the three months and nine months ended September 30, 2025, respectively.

The write-downs of inventory to net realizable value resulted in the losses on obsolete inventory of \$10,440 and \$164,032 to be recognized for the three months and nine months ended September 30, 2024, respectively.

As of September 30, 2025, December 31, 2024, and September 30, 2024, the Group did not provide any inventories as collateral for its loan.

(f) Investments accounted for using equity method

A summary of the Group's financial information for investments accounted for using the equity method at the reporting date was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	\$ <u>5,344,544</u>	<u>4,644,768</u>	<u>4,836,790</u>

On February 10, 2025, the Group invested in PieceMakers Technology, Inc. by acquiring 20,396 thousand common stocks at a price of \$30 per share, totaling \$611,880. This investment represents an approximate 35.76% ownership in the company.

The related information of the major associate to the Group was as follows:

Name of Associates	Nature of Relationship to the Group	Registration Country	Percentage of ownership		
			September 30, 2025	December 31, 2024	September 30, 2024
Formosa Advanced Technologies Co., Ltd. (FATC)	It mainly engages in assembling and testing of module products, as well as in the research and development of integrated circuits.	Taiwan	32.00 %	32.00 %	32.00 %

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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The fair value of major associates listed on the Stock Exchange was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Formosa Advanced Technologies Co., Ltd.	<u>\$ 14,040,556</u>	<u>12,470,667</u>	<u>16,096,889</u>

The aggregated financial information of the major associate was as follows:

The financial information of FATC was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current assets	\$ 8,998,320	9,369,700	9,454,350
Non-current assets	3,423,179	3,154,024	3,281,059
Current liabilities	(1,086,048)	(1,071,051)	(796,972)
Non-current liabilities	(488,796)	(545,746)	(557,912)
Net asset	<u>\$ 10,846,655</u>	<u>10,906,927</u>	<u>11,380,525</u>
Net asset contributed to non-controlling interest of Formosa Petrochemical Corporation	<u>\$ 7,375,726</u>	<u>7,416,711</u>	<u>7,738,757</u>
Net asset contributed to FATC	<u>\$ 3,470,929</u>	<u>3,490,216</u>	<u>3,641,768</u>

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating revenue	<u>\$ 2,635,147</u>	<u>2,080,389</u>	<u>6,966,995</u>	<u>6,777,591</u>
(Loss) profit	\$ 271,171	122,213	201,297	753,527
Other comprehensive loss	331,143	(347,818)	379,575	(782,316)
Total comprehensive income	<u>\$ 602,314</u>	<u>(225,605)</u>	<u>580,872</u>	<u>(28,789)</u>
Comprehensive income allocated to non-controlling interest of Formosa Petrochemical Corporation	<u>\$ 409,574</u>	<u>(153,412)</u>	<u>394,993</u>	<u>(19,577)</u>
Total comprehensive income contributed to FATC	<u>\$ 192,740</u>	<u>(72,193)</u>	<u>185,879</u>	<u>(9,212)</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Share of net assets of the major associate at January 1	\$ 3,490,216	3,778,315	3,778,315
Acquisition of share of net assets of the major associate allocated to the Group	64,415	288,110	241,129
Total comprehensive income contributed to the Group	121,464	(448,874)	(250,341)
Uncollected dividends beyond the collection period which are reclassified to capital surplus	25	25	25
Cash dividends contributed to the Group	<u>(205,191)</u>	<u>(127,360)</u>	<u>(127,360)</u>
Share of net assets of major associate	3,470,929	3,490,216	3,641,768
Add: good will	1,463,162	1,463,162	1,463,162
Less: unrealized profits on upstream sales net assets of the associates	<u>(215,658)</u>	<u>(308,610)</u>	<u>(268,140)</u>
Total carrying amount of the major associate	<u>\$ 4,718,433</u>	<u>4,644,768</u>	<u>4,836,790</u>

The Group's financial information for investment accounted for using the equity method that are individually insignificant is as follows, and such financial information is included in the Group's consolidated financial statements:

	<u>September 30, 2025</u>
Carrying amount of the individually insignificant associate's equity - PieceMakers Technology, Inc.	<u>\$ 626,111</u>

	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Attributable to the Group:				
Net loss	\$ 19,114	-	14,940	-
Other comprehensive income	<u>498</u>	<u>-</u>	<u>(544)</u>	<u>-</u>
Total comprehensive loss	<u>\$ 19,612</u>	<u>-</u>	<u>14,396</u>	<u>-</u>

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Notes to the Consolidated Financial Statements

(g) Property, plant and equipment

	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Under construction</u>	<u>Total</u>
Cost:						
Balance as of January 1, 2025	\$ 1,013,924	10,555,487	234,114,157	922,414	28,142,136	274,748,118
Additions	-	6,493	2,392,548	39,472	8,639,070	11,077,583
Disposals	-	(29,908)	(1,132,027)	(16,662)	-	(1,178,597)
Reclassification	-	2,605,817	6,262,537	(1,804)	(8,866,550)	-
Effect of exchange rate change	-	(24)	(4,812)	(1,241)	-	(6,077)
Balance as of September 30, 2025	<u>\$ 1,013,924</u>	<u>13,137,865</u>	<u>241,632,403</u>	<u>942,179</u>	<u>27,914,656</u>	<u>284,641,027</u>
Balance as of January 1, 2024	\$ 1,013,924	10,039,640	220,049,397	927,971	26,381,949	258,412,881
Additions	-	-	398,163	21,321	14,066,105	14,485,589
Disposals	-	(19,778)	(431,407)	(33,790)	-	(484,975)
Reclassification	-	374,246	13,914,687	3,979	(14,292,912)	-
Effect of exchange rate change	-	27	2,477	936	-	3,440
Balance as of September 30, 2024	<u>\$ 1,013,924</u>	<u>10,394,135</u>	<u>233,933,317</u>	<u>920,417</u>	<u>26,155,142</u>	<u>272,416,935</u>
Accumulated depreciation / impairment loss:						
Balance as of January 1, 2025	\$ -	4,051,598	185,567,988	801,320	-	190,420,906
Depreciation for the period	-	326,494	10,418,182	38,491	-	10,783,167
Impairment loss	-	-	16,814	-	-	16,814
Disposals	-	(29,908)	(1,125,614)	(16,538)	-	(1,172,060)
Reclassification	-	-	3,347	(3,347)	-	-
Effect of exchange rate change	-	(24)	(3,670)	(783)	-	(4,477)
Balance as of September 30, 2025	<u>\$ -</u>	<u>4,348,160</u>	<u>194,877,047</u>	<u>819,143</u>	<u>-</u>	<u>200,044,350</u>
Balance as of January 1, 2024	\$ -	3,676,050	172,118,133	781,080	-	176,575,263
Depreciation for the period	-	315,830	11,255,872	46,366	-	11,618,068
Impairment loss	-	-	6,526	-	-	6,526
Disposals	-	(16,757)	(431,346)	(33,786)	-	(481,889)
Reclassification	-	-	2,560	(2,560)	-	-
Effect of exchange rate change	-	27	2,004	653	-	2,684
Balance as of September 30, 2024	<u>\$ -</u>	<u>3,975,150</u>	<u>182,953,749</u>	<u>791,753</u>	<u>-</u>	<u>187,720,652</u>
Carrying amounts:						
Balance as of September 30, 2025	<u>\$ 1,013,924</u>	<u>8,789,705</u>	<u>46,755,356</u>	<u>123,036</u>	<u>27,914,656</u>	<u>84,596,677</u>
Balance as of December 31, 2024	<u>\$ 1,013,924</u>	<u>6,503,889</u>	<u>48,546,169</u>	<u>121,094</u>	<u>28,142,136</u>	<u>84,327,212</u>
Balance as of September 30, 2024	<u>\$ 1,013,924</u>	<u>6,418,985</u>	<u>50,979,568</u>	<u>128,664</u>	<u>26,155,142</u>	<u>84,696,283</u>

(i) Assessment on impairment

The estimated future recoverable amount of equipment, which had been identified to be no longer useful for its operation, is lower than the book value. In September 30, 2025 and 2024, the Group reassessed its estimates, wherein the amount of \$16,814 and \$6,526 of the impairment loss has been recognized, respectively.

(ii) Plants, and equipment under construction

For the nine months ended September 30, 2025 and 2024, the capitalized interest on borrowings for the purchase of properties, plants, and equipment of the Group amounted to \$68,523 and \$17,933, with the interest rate of 1.75%~1.9474% and 1.75%.

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(h) Right-of-use assets

	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Total</u>
Cost :				
Balance at January 1, 2025	\$ 5,439,403	11,165	288,962	5,739,530
Additions	299,119	-	46,895	346,014
Decrease	<u>(6,565)</u>	<u>-</u>	<u>-</u>	<u>(6,565)</u>
Balance at September 30, 2025	<u>\$ 5,731,957</u>	<u>11,165</u>	<u>335,857</u>	<u>6,078,979</u>
Balance at January 1, 2024	\$ 5,249,463	1,429	194,253	5,445,145
Additions	281,570	9,736	71,558	362,864
Decrease	<u>(44,902)</u>	<u>-</u>	<u>-</u>	<u>(44,902)</u>
Balance at September 30, 2024	<u>\$ 5,486,131</u>	<u>11,165</u>	<u>265,811</u>	<u>5,763,107</u>
Accumulated depreciation:				
Balance at January 1, 2025	\$ 1,325,365	3,650	61,047	1,390,062
Depreciation for the period	314,310	2,648	37,712	354,670
Decrease	<u>(5,836)</u>	<u>-</u>	<u>-</u>	<u>(5,836)</u>
Balance at September 30, 2025	<u>\$ 1,633,839</u>	<u>6,298</u>	<u>98,759</u>	<u>1,738,896</u>
Balance at January 1, 2024	\$ 1,000,873	119	18,593	1,019,585
Depreciation for the period	306,341	2,648	30,330	339,319
Decrease	<u>(35,936)</u>	<u>-</u>	<u>-</u>	<u>(35,936)</u>
Balance at September 30, 2024	<u>\$ 1,271,278</u>	<u>2,767</u>	<u>48,923</u>	<u>1,322,968</u>
Carrying Amount:				
Balance at September 30, 2025	<u>\$ 4,098,118</u>	<u>4,867</u>	<u>237,098</u>	<u>4,340,083</u>
Balance at December 31, 2024	<u>\$ 4,114,038</u>	<u>7,515</u>	<u>227,915</u>	<u>4,349,468</u>
Balance at September 30, 2024	<u>\$ 4,214,853</u>	<u>8,398</u>	<u>216,888</u>	<u>4,440,139</u>

(i) Short-term borrowings

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024,</u>
Unsecured bank loans	<u>\$ 7,613,000</u>	<u>14,536,000</u>	<u>15,250,000</u>
Interest rate	<u>1.78%~1.86%</u>	<u>1.775%~1.90%</u>	<u>1.75%~1.795%</u>
Maturity date	<u>2025.10.15~2026.02.05</u>	<u>2025.01.02~2025.03.13</u>	<u>2024.10.02~2024.10.30</u>

(j) Short-term notes payable

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Short-term notes payable	\$ -	6,750,000	3,600,000
Discount on short-term notes payable	-	(15,910)	(2,589)
Total	<u>\$ -</u>	<u>6,734,090</u>	<u>3,597,411</u>
Range of interest rates	<u>-</u>	<u>1.76%~1.92%</u>	<u>1.75%</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(k) Bonds Payable

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Domestic unsecured nonconvertible corporate bonds	\$ 4,000,000	4,000,000	4,000,000
Cost of issuing bonds	(4,200)	(5,100)	(5,400)
Current portion	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,995,800</u>	<u>3,994,900</u>	<u>3,994,600</u>

The terms of domestic corporate bonds as of above were as follows:

	<u>The first domestic unsecured nonconvertible corporate bond in 2024</u>
Issued amount	\$4,000,000
Balance, end of year	3,995,800
Current portion	-
Issuance date	April 11, 2024
Issuance period	5 years
Coupon rate	1.75%
Interest payment date	April 11
Repayment method	50% of the par value will be repaid in each FY 2028 and 2029.

(l) Long-term borrowings

	<u>September 30, 2025,</u>			
	<u>Currency</u>	<u>Interest rate</u>	<u>Expiration</u>	<u>Amount</u>
Secured long-term loans	NTD	1.9158%	119	<u>\$ 16,500,000</u>
Unused long-term credit lines				<u>\$ 8,500,000</u>

- (i) Please refer to note 6(w) for information on the Group's exposure to interest rate, foreign currency and liquidity risks.
- (ii) On January 9, 2025, the Group entered into a syndicated loan agreement with Bank of Taiwan and nine other financial institutions (collectively referred to as the "Syndicated Banks") for a credit facility of \$25,000,000. As of September 30, 2025, the Group has drawn down \$16,000,000 under the facility. For details of interest expenses, please refer to note 6(v).
- (iii) Pledged assets for bank loans

For details of the pledged assets for bank loans by the Group, please refer to note 8.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Financial covenants of significant loans and borrowings

The Group entered into a syndicated credit agreement with different financial institutions, with Bank of Taiwan being the lead bank, wherein the Group shall maintain certain financial ratios on the balance sheet date within the term of the loan. (i.e. current ratio, debt ratio, and tangible net worth, etc.) If, however, the Group breaches the contract, it should enhance its performance by increasing its cash capital or by other means during the improvement period. Otherwise, the loans will be considered due, and the Group will be required to pay off the remaining amount of the loan immediately. As of September 30, 2025, the Group has not breached the financial covenants.

(m) Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Current	<u>\$ 453,290</u>	<u>417,230</u>	<u>415,985</u>
Non-current	<u>\$ 4,015,488</u>	<u>4,037,118</u>	<u>4,121,951</u>

For the maturity analysis, please refer to Note 6(w).

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest on lease liabilities	<u>\$ 23,138</u>	<u>23,218</u>	<u>70,022</u>	<u>70,165</u>
Expenses relating to short-term leases	<u>\$ 14,295</u>	<u>13,655</u>	<u>43,494</u>	<u>41,899</u>

The amount recognized in the statement of cash flows of the Group was as follows:

	For the nine months ended September 30,	
	2025	2024
Total cash outflow for leases	<u>\$ 440,431</u>	<u>417,032</u>

(i) Land lease

The Group leases its land and building with a period of 2 to 20 years.

(ii) Other leases

The Group leases staff dorm, factory, parking lots and office spaces which are short-term leases or low-value item leases. The Group applied the recognition exemptions and elected not to recognize its right-of-use assets and lease liabilities for these leases.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(n) Provision

	September 30, 2025	December 31, 2024	September 30, 2024
Carbon fees	\$ 99,161	-	-

For the nine months ended September 30, 2025, the Group recognized a provision of \$99,161 for carbon fees levied on greenhouse gas emissions in accordance with the Taiwan's Climate Change Response Act. This provision is expected to be settled in 2026 by paying cash to the government and is classified under other current liabilities.

(o) Employee benefits

(i) Defined benefit plan

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating cost	\$ 1,165	1,243	3,500	3,717
Operating expenses	904	929	2,703	2,799
Total	\$ 2,069	2,172	6,203	6,516

(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of local government were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating cost	\$ 27,082	26,699	80,851	79,192
Operating expenses	25,388	24,709	80,425	77,055
Total	\$ 52,470	51,408	161,276	156,247

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(p) Income tax

(i) The Group's income tax (profit) expense recognized were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Current tax (profit) expense				
Current period	\$ 129,637	(399,335)	(1,472,199)	(1,129,011)
Adjustment for prior periods	-	-	(755)	(155,396)
Deferred tax (profit) expense	<u>329,965</u>	<u>58,088</u>	<u>451,489</u>	<u>149,764</u>
Income tax (profit) expense	<u>\$ 459,602</u>	<u>(341,247)</u>	<u>(1,021,465)</u>	<u>(1,134,643)</u>

(ii) The Group's income tax (profit) expense recognized directly in other comprehensive income were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2025	2025	2024
Items that could not be reclassified subsequently to profit or loss:				
Unrealized gains on equity investments at fair value through other comprehensive income	<u>\$ 142</u>	<u>(125)</u>	<u>(217)</u>	<u>79</u>

(iii) The Company's tax returns have been examined by the ROC tax authority through 2023.

(iv) Global Minimum Tax

The Group recognizes any top-up tax incurred as current income tax. Deferred income tax relating to the top-up tax is subject to the mandatory temporary exemption. The Group is within the scope of the Global Minimum Tax regime under Pillar Two as certain subsidiaries are located in Germany, Japan and Hong Kong, where the Income Inclusion Rule has been effective from December 30, 2023, April 1, 2024, and January 1, 2025, respectively, and the related tax regimes are applicable to fiscal years beginning on the respective implementation dates. Based on an assessment of the tax regimes and local effective tax rates in these jurisdictions, the Group does not expect to incur any material top-up tax liabilities.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Capital and other equity

Except as described below, there was no material change in equity for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(p) of the consolidated financial statements as of and for the year ended December 31, 2024 for the related detail disclosures on equity.

(i) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
Premium from the issuance of stock	\$ 32,290,079	32,290,079	32,290,079
Treasury share transactions	274,385	274,385	274,385
Employee share option plans	157,735	-	-
Expired employee share option plans	269,247	269,247	269,247
Past due unclaimed dividends	937	457	399
Change in net equity of associates accounted for using equity method	<u>151</u>	<u>126</u>	<u>126</u>
	<u>\$ 32,992,534</u>	<u>32,834,294</u>	<u>32,834,236</u>

(ii) Retain earning

According to the Company's Articles of Incorporation, the Company's annual net profit, after providing for income tax and covering the losses of previous years, is first set aside for legal reserve at the rate of 10% thereof until the accumulated balance of legal reserve equals the total issued capital and any special reserves pursuant to relevant laws and regulations. The remainder, plus the undistributed earnings of the previous years, are distributed or left undistributed for business purposes according to the resolution of the stockholders' dividend distribution plan, which are initially proposed by the Board of Director, wherein the Board of Directors is authorized to distribute cash dividends after a resolution has been adopted by a majority vote at a board meeting attended by two-thirds of the directors, thereafter, to be reported during the shareholders' meeting; while the distribution of stock dividends shall be submitted to the shareholders' meeting for approval.

As it belongs to a highly capital-intensive industry with strong growth potential, the Company adopts a dividend distribution policy which is in line with its plans for product line expansion and the demand of fund. This policy requires that the distribution of cash dividends shall not exceed 50% of the Company's total dividend distribution every year.

(1) Legal reserve

When the Group incurs no loss, it may, in pursuant to a resolution to be adopted by a shareholders' meeting, distribute its legal reserve by issuing new shares or by cash. Only the portion of legal reserve which exceeds 25 percent of the paid in capital may be distributed.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(2) Special Reserve

In accordance with Ruling issued by the FSC, a portion of current period earnings and undistributed prior period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(3) Earnings distribution

There was no 2023 and 2024 earnings distribution accrued by the Company due to the deficit incurred during 2023 and 2024, based on a resolution decided by the Board of Directors on February 26, 2025, and February 23, 2024.

(iii) Other equity (net of tax)

	Exchange differences on translation of foreign financial statements	Unrealized (losses) gains on financial assets measured at fair value through other comprehensive income	Total
Balance as of January 1, 2025	\$ 4,502,042	(747,319)	3,754,723
Exchange differences on translation of foreign financial statements	(3,509,285)	-	(3,509,285)
Unrealized gains from financial of assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	121,464	121,464
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(871)	(871)
Exchange differences on associates accounts for using equity method	(544)	-	(544)
Balance as of September 30, 2025	<u>\$ 992,213</u>	<u>(626,726)</u>	<u>365,487</u>
Balance as of January 1, 2024	\$ 896,519	(297,440)	599,079
Exchange differences on translation of foreign financial statements	1,577,810	-	1,577,810
Unrealized losses from financial of assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(250,341)	(250,341)
Unrealized gains from financial of assets measured at fair value through other comprehensive income	-	317	317
Balance as of September 30, 2024	<u>\$ 2,474,329</u>	<u>(547,464)</u>	<u>1,926,865</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Share-based payment transactions

Except as described below, there was no material change on the share-based payment transactions for the nine months ended September 30, 2025 and 2024. Please refer to Note 6(q) of consolidated financial statements as of and for the year ended December 31, 2024 for related disclosures on share-based payment transactions.

(i) As of September 30, 2025, the Company has share-based payment arrangements as follows:

	Period 2025-1 Employee Stock Option Plan	Period 2025-2 Employee Stock Option Plan
Grant date	2025.4.16	2016.8.11
Grant unit	135,600	4,400
Fair value at grant date (dollar)	7.02~7.81	9.6
Exercise price (dollar)	32.75	42.2
Expected volatility (%)	36.65%	36.65%
Risk-free rate (%)	1.41~1.47%	1.47%
Deal period	6 years	6 years
Vested Conditions	Duration of two years duration and at certain proportion	Duration of two years duration and at certain proportion

The Group adopted the Black-Scholes Model to estimate the fair value of the stock option at grant date.

(ii) Relevant information of employee stock option plans

The Company:

	For the nine months ended September 30,			
	2025		2024	
	Weighted- average exercise (price TWD)	Number of options (Units)	Weighted- average exercise (price TWD)	Number of options (Units)
Outstanding as of January 1	\$ -	-	25.56	487
Options granted	33.05	140,000	-	-
Options exercised	-	-	25.57	(448)
Options forfeited	33.09	(2,846)	-	-
Options expired	-	-	25.50	(39)
Outstanding as of September 30	33.05	137,154	-	-
Options exercisable as of September 30	-	-	-	-

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Compensation cost

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Compensation cost arising from share options granted to employees	\$ <u>87,019</u>	<u>-</u>	<u>157,735</u>	<u>-</u>

(s) Loss per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Basic loss per share:				
Net loss attributable to the Company's ordinary shareholders	\$ <u>1,563,334</u>	<u>(1,486,690)</u>	<u>(4,479,418)</u>	<u>(3,509,663)</u>
Weighted-average number of ordinary shares outstanding	<u>3,098,628</u>	<u>3,098,628</u>	<u>3,098,628</u>	<u>3,098,526</u>
Basic loss per share (dollar)	\$ <u>0.50</u>	<u>(0.48)</u>	<u>(1.45)</u>	<u>(1.13)</u>
Diluted earnings per share:				
Net profit attributable to the Company (basic)	\$ <u>1,563,334</u>		<u>(4,479,418)</u>	
Effect of potentially dilutive ordinary shares				
Weighted-average number of ordinary shares outstanding	3,098,628		3,098,628	
Effect of employee stock options	<u>48,929</u>		<u>-</u>	
	<u>3,147,557</u>		<u>3,098,628</u>	
Diluted earnings per share (dollar)	\$ <u>0.50</u>		<u>(1.45)</u>	

The Company did not calculate the diluted loss per share for the three months and nine months ended September 30, 2024 due to the net loss resulted in anti diluted effects to the employee share option and employee stock remuneration issued by the Company.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(t) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended September 30, 2025		
	Manufacturing department	Overseas sales department	Total
Geographic markets of primary destination:			
Taiwan	\$ 3,012,325	495,255	3,507,580
Japan	-	713,968	713,968
Malaysia	101,801	465,294	567,095
China	1,399,054	1,324,336	2,723,390
Hong Kong	7,660,464	817,052	8,477,516
USA	13,108	455,610	468,718
Thailand	23,840	785,523	809,363
Germany	-	274,083	274,083
Vietnam	76,628	80,798	157,426
Singapore	167,653	(1,554)	166,099
Other countries	226,731	686,899	913,630
	\$ 12,681,604	6,097,264	18,778,868
Major products line:			
Dynamic Random Access Memory (DRAM)	\$ 12,649,943	6,096,995	18,746,938
Other	31,661	269	31,930
	\$ 12,681,604	6,097,264	18,778,868
For the three months ended September 30, 2024			
	Manufacturing department	Overseas sales department	Total
Geographic markets of primary destination:			
Taiwan	\$ 2,191,965	174,754	2,366,719
Japan	-	544,601	544,601
Malaysia	122,059	152,298	274,357
China	565,988	683,512	1,249,500
Hong Kong	2,211,109	335,202	2,546,311
USA	136	101,009	101,145
Thailand	11,032	335,292	346,324
Germany	-	149,298	149,298
Vietnam	6,346	46,470	52,816
Singapore	111,897	49,850	161,747
Other countries	100,744	239,031	339,775
	\$ 5,321,276	2,811,317	8,132,593
Major products line:			
Dynamic Random Access Memory (DRAM)	\$ 5,291,492	2,811,026	8,102,518
Other	29,784	291	30,075
	\$ 5,321,276	2,811,317	8,132,593

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the nine months ended September 30, 2025		
	Manufacturing department	Overseas sales department	Total
Geographic markets of primary destination:			
Taiwan	\$ 5,892,947	918,537	6,811,484
Japan	-	1,741,753	1,741,753
Malaysia	340,742	1,379,924	1,720,666
China	2,870,878	2,439,011	5,309,889
Hong Kong	14,056,501	1,570,444	15,626,945
USA	40,909	933,573	974,482
Thailand	45,976	1,122,432	1,168,408
Germany	-	692,025	692,025
Vietnam	190,296	171,095	361,391
Singapore	317,883	83,552	401,435
Other countries	402,833	1,281,591	1,684,424
	\$ 24,158,965	12,333,937	36,492,902
Major products line:			
Dynamic Random Access Memory (DRAM)	\$ 24,081,566	12,333,096	36,414,662
Others	77,399	841	78,240
	\$ 24,158,965	12,333,937	36,492,902
	For the nine months ended September 30, 2024		
	Manufacturing department	Overseas sales department	Total
Geographic markets of primary destination:			
Taiwan	\$ 7,546,386	603,296	8,149,682
Japan	-	1,469,166	1,469,166
Malaysia	408,941	459,215	868,156
China	2,179,338	1,972,905	4,152,243
Hong Kong	8,351,744	927,360	9,279,104
USA	1,313	386,549	387,862
Thailand	30,883	675,327	706,210
Germany	-	465,639	465,639
Vietnam	26,027	285,845	311,872
Singapore	264,167	87,396	351,563
Other countries	385,294	1,029,782	1,415,076
	\$ 19,194,093	8,362,480	27,556,573
Major products line:			
Dynamic Random Access Memory (DRAM)	\$ 19,116,513	8,361,614	27,478,127
Others	77,580	866	78,446
	\$ 19,194,093	8,362,480	27,556,573

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	\$ 10,632,645	4,132,016	5,164,831
Accounts receivable- related parties	6,000	-	-
	<u>\$ 10,638,645</u>	<u>4,132,016</u>	<u>5,164,831</u>

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

(u) Remuneration to employees

On May 28, 2025, the Company's shareholders approved the amendment to the Company's Articles of Incorporation. Pursuant to the amended Articles of Incorporation, if the Company makes a profit, it should appropriate 1% to 12% of the Company's profit before tax before the deduction of the employee remuneration as the employee remuneration; among which, 0.3% to 3.6% should be appropriate to entry-level employees. If the Company has accumulated deficits, the amount required to offset such deficits should be reserved in advance. Employees who are entitled to receive the above-mentioned employee remuneration, in shares or in cash, include the employees of the subsidiaries of the Company who meet certain specific requirements. Before the amendment, the Articles of Incorporation stipulated that if the Company made a profit, it should appropriate 1% to 12% of the Company's net income before tax before the deduction of the employee remuneration as the employee remuneration; the other condition was the same as the amended Articles of Incorporation.

For the nine months ended September 30, 2025 and 2024, the Company did not estimate the remuneration to employees (including entry-level employee remuneration) due to the Company had a net loss before tax.

For the years ended December 31, 2024 and 2023, the Company had a net loss before tax, and therefore did not estimate the remuneration to employees. Related information is available on the Market Observation Post System ("MOPS") website.

(v) Non-operating income and expenses

(i) Interest income

	For the three months ended September 30,		For the nine months ended September 30,	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest income from bank deposits and short-term notes	\$ <u>568,053</u>	<u>843,182</u>	<u>1,904,004</u>	<u>2,556,856</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
(Loss) gain on disposal of property, plant and equipment	\$ (5,279)	(3)	(1,670)	(1,937)
Gain on lease modification	10	-	10	142
Foreign exchange (losses) gains	337,661	(127,218)	(787,101)	473,203
Impairment losses on non-financial assets	(2,333)	(84)	(16,814)	(6,526)
Government grants	-	-	-	139,762
Insurance compensation gains	-	-	131,931	-
Others	26,187	43,146	85,967	116,569
	<u>\$ 356,246</u>	<u>(84,159)</u>	<u>(587,677)</u>	<u>721,213</u>

(iii) Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expense	\$ 149,973	90,830	450,654	221,547
Less: Capitalization of interest	(18,284)	(11,127)	(68,523)	(17,933)
Amortization interest of lease liability	23,138	23,218	70,022	70,165
	<u>\$ 154,827</u>	<u>102,921</u>	<u>452,153</u>	<u>273,779</u>

(w) Financial instruments

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

(i) Credit risk of receivables

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

Other financial assets at amortized cost includes other receivables, time deposits and refundable deposits.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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Considering that the Group deals only with other external parties with good credit standing and with the above investment grade financial institutions, all of the above financial assets are considered to have low credit risk.

As of September 30, 2025, December 31 and September 30, 2024, no allowance for impairment loss was provided because there was no indication of credit-impaired for the 12-month ECL or lifetime ECL allowance for other financial assets measured at amortized cost.

(ii) Liquidity risk

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, including estimated interest payments:

	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 6 months</u>	<u>6-12months</u>	<u>1-2years</u>	<u>2-5years</u>	<u>Over 5 years</u>
September 30, 2025							
Non-derivative financial liabilities							
Short-term borrowings	\$ 7,613,000	7,632,293	7,632,293	-	-	-	-
Accounts payable (including related parties)	5,422,535	5,422,535	5,422,535	-	-	-	-
Other payables (including related parties)	6,087,244	6,087,244	6,087,244	-	-	-	-
Bonds payable	3,995,800	4,245,000	-	70,000	70,000	4,105,000	-
Lease liabilities (including current portion)	4,468,778	5,149,181	270,619	270,619	538,728	1,494,718	2,754,497
Long-term borrowings	<u>16,500,000</u>	<u>17,863,468</u>	<u>158,863</u>	<u>156,754</u>	<u>316,107</u>	<u>17,231,744</u>	<u>-</u>
Total	<u>\$ 44,087,357</u>	<u>46,399,721</u>	<u>19,571,554</u>	<u>497,373</u>	<u>924,835</u>	<u>22,831,462</u>	<u>2,754,497</u>
December 31, 2024							
Non-derivative financial liabilities							
Short-term borrowings	\$ 14,536,000	14,556,100	14,556,100	-	-	-	-
Short-term notes payable	6,734,090	6,750,000	6,750,000	-	-	-	-
Accounts payable (including related parties)	5,179,736	5,179,736	5,179,736	-	-	-	-
Other payables (including related parties)	5,839,074	5,839,074	5,839,074	-	-	-	-
Bonds payable	3,994,900	4,315,000	70,000	-	70,000	4,175,000	-
Lease liabilities (including current portion)	<u>4,454,348</u>	<u>5,152,993</u>	<u>252,637</u>	<u>251,527</u>	<u>500,833</u>	<u>1,472,402</u>	<u>2,675,594</u>
Total	<u>\$ 40,738,148</u>	<u>41,792,903</u>	<u>32,647,547</u>	<u>251,527</u>	<u>570,833</u>	<u>5,647,402</u>	<u>2,675,594</u>
September 30, 2024							
Non-derivative financial liabilities							
Short-term borrowings	\$ 15,250,000	15,261,739	15,261,739	-	-	-	-
Short-term notes payable	3,597,411	3,600,000	3,600,000	-	-	-	-
Accounts payable (including related parties)	4,615,753	4,615,753	4,615,753	-	-	-	-
Other payables (including related parties)	5,937,156	5,937,156	5,937,156	-	-	-	-
Bonds payable	3,994,600	4,315,000	-	70,000	70,000	4,175,000	-
Lease liabilities (including current portion)	<u>4,537,936</u>	<u>5,257,984</u>	<u>253,801</u>	<u>250,495</u>	<u>496,549</u>	<u>1,467,601</u>	<u>2,789,538</u>
Total	<u>\$ 37,932,856</u>	<u>38,987,632</u>	<u>29,668,449</u>	<u>320,495</u>	<u>566,549</u>	<u>5,642,601</u>	<u>2,789,538</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(iii) Market risk

1) Exposure to currency risk

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

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency (in thousands)	Exchange rate (dollars)	New Taiwan Dollars	Foreign currency (in thousands)	Exchange rate (dollars)	New Taiwan Dollars	Foreign currency (in thousands)	Exchange rate (dollars)	New Taiwan Dollars
Financial assets:									
Monetary items									
USD	\$ 310,763	30.469	9,468,638	110,739	32.781	3,630,135	178,600	31.651	5,652,869
JPY	1,824,242	0.2050	373,970	1,204,903	0.2087	251,463	496,418	0.2220	110,205
EUR	41	35.7268	1,465	13	34.0652	443	48	35.2472	1,692
Financial liabilities:									
Monetary items									
USD	\$ 113,695	30.469	3,464,173	104,682	32.781	3,431,581	101,790	31.651	3,221,755
JPY	908,386	0.2050	186,219	2,832,443	0.2087	591,131	897,668	0.2220	199,282
EUR	2,388	35.7268	85,316	6,613	34.0652	225,273	28,740	35.2472	1,013,005

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange fluctuations on cash and cash equivalents, accounts receivable, accounts payable and other payable (including related parties) which are denominated in different foreign currencies. A 1% appreciation and depreciation of the TWD against the USD, JPY and EUR as of September 30, 2025 and 2024 would have decreased and increased the net income before tax by \$61,084 and \$13,307 for the nine months ended September 30, 2025 and 2024, respectively. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis as prior year.

Since the Group has many kinds of functional currency, the information on foreign exchange loss on monetary items is disclosed by total amount. For the nine months ended September 30, 2025 and 2024, foreign exchange (losses) and gains (including realized and unrealized portions) amounted to \$(787,101) and \$473,203, respectively.

(iv) Other market price risk

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

Prices of securities at the reporting date	For the nine months ended September 30,	
	2025	2024
	Other comprehensive income after tax	Other comprehensive income after tax
Increase 1%	\$ 212	214
Decrease 1%	(212)	(214)

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(v) Fair value information

(1) Types and fair value of financial instruments

The Group's financial assets measured at fair value through other comprehensive income was measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities (including the information on fair value hierarchy; but excluding financial instruments were not measured at fair value whose carrying amount were reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required) were as follows:

	September 30, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income:					
Equity instruments without a market price measured at fair value	\$ 26,456	-	-	26,456	26,456
Financial assets measured at amortized cost					
Cash and cash equivalents	52,313,170	-	-	-	-
Financial assets measured at cost	726,180	-	-	-	-
Accounts receivable(including related parties)	10,638,645	-	-	-	-
Other receivables (including related parties)	3,675,140	-	-	-	-
Subtotal	67,353,135	-	-	-	-
Total	<u>\$ 67,379,591</u>	<u>-</u>	<u>-</u>	<u>26,456</u>	<u>26,456</u>
Financial liabilities measured at amortized cost					
Shor-term borrowings	\$ 7,613,000	-	-	-	-
Accounts payable (including related parties)	5,422,535	-	-	-	-
Other payables (including related parties)	6,087,244	-	-	-	-
Bonds payable	3,995,800	-	-	-	-
Lease liabilities (including current portion)	4,468,778	-	-	-	-
Long-term borroeings	16,500,000	-	-	-	-
Total	<u>\$ 44,087,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	December 31, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income:					
Equity instruments without a market price measured at fair value	\$ 27,820	-	-	27,820	27,820
Financial assets measured at amortized cost					
Cash and cash equivalents	61,902,779	-	-	-	-
Financial assets measured at cost	723,586	-	-	-	-
Accounts receivable	4,132,016	-	-	-	-
Other receivables	3,908,000	-	-	-	-
Subtotal	70,666,381	-	-	-	-
Total	<u>\$ 70,694,201</u>	<u>-</u>	<u>-</u>	<u>27,820</u>	<u>27,820</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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	December 31, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 14,536,000	-	-	-	-
Short-term notes payable	6,734,090	-	-	-	-
Accounts payable (including related parties)	5,179,736	-	-	-	-
Other payables (including related parties)	5,839,074	-	-	-	-
Bonds payable	3,994,900	-	-	-	-
Lease liabilities (including current portion)	4,454,348	-	-	-	-
Total	\$ 40,738,148	-	-	-	-
	September 30, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Equity instruments without a market price measured at fair value	\$ 26,697	-	-	26,697	26,697
Financial assets measured at amortized cost					
Cash and cash equivalents	61,157,437	-	-	-	-
Financial assets measured at cost	731,232	-	-	-	-
Accounts receivable	5,164,831	-	-	-	-
Other receivables (including related parties)	3,909,838	-	-	-	-
Subtotal	70,963,338	-	-	-	-
Total	\$ 70,990,035	-	-	26,697	26,697
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 15,250,000	-	-	-	-
Short-term notes payable	3,597,411	-	-	-	-
Accounts receivable (including related parties)	4,615,753	-	-	-	-
Other payables (including related parties)	5,937,156	-	-	-	-
Bonds payable	3,994,600	-	-	-	-
Lease liabilities (including current portion)	4,537,936	-	-	-	-
Total	\$ 37,932,856	-	-	-	-

(2) Valuation techniques for financial instruments measured at fair value

The category and attribute of the Group's financial instruments without an active market were as follows:

- Equity instruments without an active market price: Measurements of fair value of financial instruments without an active market price are calculated using the net asset value method, which is measured according to the main assumption based on the equity value of the investee's net asset. The estimation has already been adjusted in accordance with the discount on the lack of marketability of the equity stock.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(3) Transfer between levels

For the nine months ended September 30, 2025 and 2024, there was no transfer from financial assets.

(4) Reconciliation of Level 3 fair values

	Fair value through other comprehensive income
	Unquoted equity instruments
Balance as of January 1, 2025	\$ 27,820
Total losses recognized in other comprehensive income	(1,088)
Capital returned due to capital	(276)
Balance as of September 30, 2025	\$ 26,456
Balance as of January 1, 2024	\$ 20,301
Purchased	6,000
Total gains recognized in other comprehensive income	396
Balance as of September 30, 2024	\$ 26,697

For the nine months ended September 30, 2025 and 2024, total (losses) gains that were included in “unrealized gains or losses from existing financial assets at fair value through other comprehensive income” were as follows:

	For the nine months ended September 30	
	2025	2024
Total (losses) gains recognized in other comprehensive income, and presented in “unrealized gains or losses from financial assets at fair value through other comprehensive income”	\$ (871)	317

(5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value “fair value through other comprehensive income – equity investments”.

The Group’s investment in equity instruments without an active market have only one significant unobservable input.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
Financial assets at fair value through other comprehensive income equity investments without an active market	Asset method	Net asset value The discount rate due to lack of marketability as of September 30, 2025, December 31 and September 30, 2024, the significant unobservable inputs were 10%.	The higher the discount for lack of marketability, the lower the fair value.

- 6) Fair value measurement in Level 3 - sensitivity analysis of the possible alternative assumptions

The valuation models and assumptions used to measure the fair value of the financial instruments is reasonable. However, the use of different valuation models or assumptions may result in different measurements. The effects of changes in assumptions for financial instruments, whose fair value measurements were categorized as Level 3, were as follows:

	<u>Inputs</u>	<u>Increase or decrease</u>	<u>Effects of changes in fair value on other comprehensive income</u>	
			<u>Favorable change</u>	<u>Unfavorable change</u>
September 30, 2025				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Discount for lack of marketability	1%	\$ 294	(294)
December 31, 2024				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Discount for lack of marketability	1%	309	(309)
September 30, 2024				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Discount for lack of marketability	1%	297	(297)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Financial risk management

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

(y) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(x) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(z) The investing and financing activities on non-cash transactions

The Group's investing and financing activities on non-cash transactions for the nine months ended September 30, 2025 and 2024 were as follows:

(i) Acquisition of right-of-use assets by lease, please refer to Note6(h).

(ii)

	For the nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 11,077,583	14,485,589
Add: Payables on equipment at beginning of period	3,680,531	1,807,098
Less: Payables on equipment at end of period	<u>(3,552,648)</u>	<u>(3,521,956)</u>
Cash Paid	<u>\$ 11,205,466</u>	<u>12,770,731</u>

(iii) Reconciliation of liabilities arising from financing activities was as follow:

	January 1, 2025	Cash flow	Non-Cash changes				September 30, 2025
			Change in an index of lease payment	Increased	Decreased	Others (Note)	
Short-term borrowings	\$ 14,536,000	(6,923,000)	-	-	-	-	7,613,000
Short-term notes payable	6,734,090	(6,750,000)	-	-	-	15,910	-
Lease liabilities	4,454,348	(326,915)	299,119	46,895	(739)	(3,930)	4,468,778
Bonds payable	3,994,900	-	-	-	-	900	3,995,800
Long-term borrowings	-	16,500,000	-	-	-	-	16,500,000
Guarantee deposits	<u>25,704</u>	<u>172,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,116</u>	<u>205,860</u>
	<u>\$ 29,745,042</u>	<u>2,672,125</u>	<u>299,119</u>	<u>46,895</u>	<u>(739)</u>	<u>20,996</u>	<u>32,783,438</u>

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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	January 1, 2024	Cash flow	Non-Cash changes				December 31, 2024
			Change in an index of lease payment	Increased	Decreased	Others (Note)	
Lease liabilities	\$ 11,181,000	4,069,000	-	-	-	-	15,250,000
Short-term borrowings	-	3,600,000	-	-	-	(2,589)	3,597,411
Short-term notes payable	4,497,208	(304,968)	275,006	87,858	(9,108)	(8,060)	4,537,936
Guarantee deposits	-	4,000,000	-	-	-	(5,400)	3,994,600
bonds payable	14,567	7,126	-	-	-	-	21,693
	<u>\$ 15,692,775</u>	<u>11,371,158</u>	<u>275,006</u>	<u>87,858</u>	<u>(9,108)</u>	<u>(16,049)</u>	<u>27,401,640</u>

Note: Others include changes in other payables, discounts on short-term notes payable, guarantee deposits foreign exchange losses and gains, and cost of issuing bonds.

(7) Related-party transactions:

(a) Names and relationship with related parties

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
Formosa Advanced Technologies Co., Ltd. (referred to as "FATC")	The Group's associates
PieceMakers Technology, Inc.	The Group's associates
Formosa Petrochemical Corporation	The Group's other related parties
Nan Ya Photonics Incorporation	The Group's other related parties
Formosa Sumco Technology Corporation	The Group's other related parties
Formosa Technologies Corporation	The Group's other related parties
Formosa Biomedical Technology Corp.	The Group's other related parties
Formosa Plastics Corporation	The Group's other related parties
Nanya Printed Circuit Board Corporation	The Group's other related parties
Formosa Waters Technology Co., Ltd.	The Group's other related parties
Nan Ya Plastics Corporation	The entity with significant influence over the Group
Min Chi University of Technology	The Group's other related parties

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(b) Significant transactions with related parties

(i) Sales to related parties

Relationship	Sales				Accounts receivable to related parties		
	For the three months ended September 30,		For the nine months ended September 30,		September 30,	December 31,	September 30,
	2025	2024	2025	2024	2025	2024	2024
Associates	\$ 6,747	-	23,511	-	6,000	-	-

The selling prices and collection terms for the sales to related parties above are not significantly different from those third party customers, and the normal credit term with the related parties above is N030 days. There is no collateral received among related parties accounts receivable. However, not expected credit loss is necessary based on the result of management's evaluation.

(ii) Purchase from related parties

Relationship	Purchases				Accounts payable to related parties		
	For the three months ended September 30,		For the nine months ended September 30,		September 30,	December 31,	September 30,
	2025	2024	2025	2024	2025	2024	2024
Entities with significant influence over the Group	\$ 28,478	41,780	102,319	114,306	9,432	14,465	17,484
Associates	-	-	-	726	-	-	-
Other related parties:							
Formosa Sumco Technology Corporation	139,141	157,684	348,016	591,950	92,554	145,930	96,624
Other related parties	67,145	56,686	185,241	175,806	24,381	10,648	13,437
	\$ 234,764	256,150	635,576	882,788	126,367	171,043	127,545

The terms and pricing of purchase transactions with related parties above were not significantly different from those offered by other vendors. The payment terms ranged from one to two months, which were no different from the payment terms given by other vendors.

(iii) Consigned out for processing

Relationship	Amount				Other payables to related parties		
	For the three months ended September 30,		For the nine months ended September 30,		September 30,	December 31,	September 30,
	2025	2024	2025	2024	2025	2024	2024
Associates	\$ 1,900,098	1,583,986	4,895,929	5,174,346	1,084,143	1,001,163	1,051,803

The term of transactions with the related parties above is 60 days after the end of each month when processed consigned goods are received.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(iv) Property transactions

Acquisition of machinery and equipment

Relationship	Acquisition price				Other payables to related parties		
	For the three months ended September 30,		For the nine months ended September 30,		September 30, 2025	December 31, 2024	September 30, 2024
	2025	2024	2025	2024			
Entities with significant influence over the Group	\$ -	172,100	-	172,450	17,210	120,470	172,100
Other related parties:							
Nan Ya Photonics Incorporation	-	-	-	352,500	232,442	287,526	303,032
Other related parties	-	-	-	-	36,800	92,000	-
	<u>\$ -</u>	<u>172,100</u>	<u>-</u>	<u>524,950</u>	<u>286,452</u>	<u>499,996</u>	<u>475,132</u>

(v) Leases

Relationship	Acquisition price			
	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Entities with significant influence over the Group	\$ <u>5,409</u>	<u>5,045</u>	<u>15,807</u>	<u>15,209</u>

The rentals charged to the entities with significant influence over the Company are determined based on the local market prices, and rents are paid monthly.

The Group entered into a 20-year lease agreements in June and October 2022, as well as a 9-to-10-year lease agreement between July and August 2020, with Nan Ya Plastics Corporation, at the total values of \$3,556,784 and \$2,015,018, respectively. Also, for the three months and nine months ended September 30, 2025 and 2024, the Group recognized the amounts of \$21,942, \$22,026, \$66,567 and \$66,761, respectively, as interest expenses. Furthermore, on September 30, 2025, December 31 and September 30, 2024, the balances of lease liabilities amounted to \$4,223,094, \$4,212,965 and \$4,302,769, respectively.

The Group entered into a 3-year lease agreement in December 2021 with Min Chi University of Technology, at the total values of \$50,198. Also, for the three months and nine months ended September 30 2024, the Group recognized the amount of \$25 and \$108, respectively, as interest expense. Furthermore, on September 30, 2024, the balance of lease liabilities amounted to \$3,291.

(vi) Others

Relationship	Other income			
	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Associates	\$ <u>50</u>	<u>121</u>	<u>107</u>	<u>164</u>

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(c) Key management personnel remuneration

Key management personnel remuneration comprised:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 22,818	22,541	48,773	47,768
Share-based payment	3,505	-	6,425	-
	\$ 26,323	22,541	55,198	47,768

(8) Pledged assets:

The Group's assets pledged to secure loans are as follows:

Pledged assets	Object	September 30, 2025	December 31, 2024	September 30, 2024
Other non-current assets	Office leasing	\$ 723,608	723,568	723,596
Property, plant and equipment	Bank loans	10,206,509	-	-
		\$ 10,930,117	723,568	723,596

(9) Commitments and contingencies:

(a) Significant commitments

	September 30, 2025	December 31, 2024	September 30, 2024
Guarantees for importation goods provided by bank	\$ 635,000	1,035,000	1,035,000
Performance guarantees for green energy projects provided by banks	42,800	42,800	42,800
Performance guarantees provided by bank	-	142,433	142,433
Issuance of promissory note for the performance guarantees of research and development programs	-	500,000	500,000
Unused letters of credit	65,934	553,500	600,506
Acquisition of property, plant and equipment	15,735,755	13,827,420	15,300,089
Total	\$ 16,479,489	16,101,153	17,620,828

The Group has signed ten-year green electricity procurement contracts with Formosa Solar Renewable Power Co., Ltd. and Sustainable Energy Solution Co., Ltd., wherein the Group purchases 25 million kWh of green electricity annually, with a total of 250 million kWh for ten years.

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(b) Contingent liabilities

In 2010, the Company was charged by Brazil's Ministry of Justice as being involved in the International Monopolies, which influences Brazil's DRAM market. Consequently, the Company, other large international companies and individuals are investigated at the same time. The lawsuit was in a court hearing. The Company has engaged counsels to properly handle it to ensure the Company's rights.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other:

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

	For the three months ended September 30, 2025			For the three months ended September 30, 2024		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salaries	755,505	705,119	1,460,624	695,292	638,477	1,333,769
Labor and health insurance	58,320	54,365	112,685	57,397	52,485	109,882
Pension expenses	28,247	26,292	54,539	27,942	25,638	53,580
Remuneration of directors	-	2,110	2,110	-	2,010	2,010
Other personnel expenses	22,417	11,518	33,935	19,858	9,938	29,796
Depreciation expenses	3,375,674	172,699	3,548,373	3,808,252	148,076	3,956,328
Amortization expenses	62,127	1,175	63,302	62,693	300	62,993

	For the nine months ended September 30, 2025			For the nine months ended September 30, 2024		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salaries	2,066,727	1,963,625	4,030,352	1,937,581	1,792,700	3,730,281
Labor and health insurance	172,511	161,804	334,315	170,580	156,682	327,262
Pension expenses	84,351	83,128	167,479	82,909	79,854	162,763
Remuneration for directors	-	6,665	6,665	-	6,260	6,260
Other personnel expenses	66,239	34,139	100,378	56,309	28,326	84,635
Depreciation expenses	10,687,242	450,595	11,137,837	11,496,025	461,362	11,957,387
Amortization expenses	180,624	3,525	184,149	188,555	600	189,155

(b) Seasonal operation:

The Group's operation is not affected by seasonal or cyclical factor.

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

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

- (i) Loans to other parties: None
- (ii) Guarantees and endorsements for other parties: None
- (iii) Securities held at the reporting date (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Mesh Cooperative Ventures Fund LP	-	Financial assets at fair value through other comprehensive income – non-current	-	26,456	2.46 %	26,456	

- (iv) Related-party transaction for purchases and sales for which amounts exceeding \$100 million or 20% of the Company's paid-in capital:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase /Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Nanya Technology Corp	Nanya Technology Corp., U.S.A.	Subsidiary	(Sale)	(6,749,572)	(18.67)%	O/A 60~90Days	-	-	3,072,686	28.54%	(Note)
Nanya Technology Corp	Nanya Technology Corp., Japan	Subsidiary	(Sale)	(2,867,242)	(7.93)%	O/A 180Days	-	-	677,665	6.29%	(Note)
Nanya Technology Corp	Nanya Technology Corp., Europe GmbH	Subsidiary	(Sale)	(2,255,427)	(6.24)%	O/A 60~90Days	-	-	786,915	7.31%	(Note)
Nanya Technology Corp	Nanya Technology Corp., HK	subsidiary	(Sale)	(114,802)	(0.32)%	O/A 60~90 Days	-	-	27,774	0.26%	(Note)
Nanya Technology Corp., Delaware	Nanya Technology Corp	The parent company	(Sale)	(293,222)	(100.00)%	O/A 60~90 Days	-	-	34,652	100.00%	(Note)
Nanya Technology Corp., U.S.A.	Nanya Technology Corp	The parent company	Purchase	6,749,572	100.00%	O/A 60~90Days	-	-	(3,072,686)	(100.00)%	(Note)
Nanya Technology Corp., Japan	Nanya Technology Corp	The parent company	Purchase	2,867,242	100.00%	O/A 180 Days	-	-	(677,665)	(100.00)%	(Note)
Nanya Technology Corp., Europe GmbH	Nanya Technology Corp	The parent company	Purchase	2,255,427	100.00%	O/A 60~90Days	-	-	(786,915)	(100.00)%	(Note)
Nanya Technology Corp., HK	Nanya Technology Corp	The parent company	Purchase	114,802	100.00%	O/A 60~90Days	-	-	(27,774)	(100.00)%	(Note)
Nanya Technology Corp	Nanya Technology Corp., Delaware	subsidiary	Purchase	293,222	3.41%	O/A 60~90Days	-	-	(34,652)	(0.64)%	(Note)
Nanya Technology Corp	Formosa Sumco Technology Corporation	Other related parties	Purchase	348,016	4.05%	O/A 60Days	-	-	(92,554)	(1.71)%	-

(Continued)

NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase /Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Nanya Technology Corp	Nanya Plastic Corporation	The entities with significant influence over the Group	Purchase	102,319	1.19%	Payment after arrival and inspection of good	-		(9,432)	(0.17)%	-

Note: The transactions were written off in the consolidated financial statements.

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

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance of accounts receivable from related parties	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
The Company	Nanya Technology Corp., U.S.A.	Subsidiary	3,072,686	4.27	-		892,109	-	(Note)
The Company	Nanya Technology Corp., Japan	Subsidiary	677,665	9.01	-		399,141	-	(Note)
The Company	Nanya Technology Europe GmbH	Subsidiary	786,915	5.82	-		342,838	-	(Note)

Note: The transactions were written off in the consolidated financial statements.

- (vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	Nanya Technology Corp.	Nanya Technology Corp., U.S.A	1	Sales	6,749,572	On the basis of general conditions	18.50%
0	Nanya Technology Corp.	Nanya Technology Corp., Japan	1	Sales	2,867,242	On the basis of general conditions	7.86%
0	Nanya Technology Corp.	Nanya Technology Europe GmbH	1	Sales	2,255,427	On the basis of general conditions	6.18%
0	Nanya Technology Corp.	Nanya Technology Corp. HK	1	Sales	114,802	On the basis of general conditions	0.31%
1	Nanya Technology Corp. Delaware	Nanya Technology Corp.	2	Sales	293,222	On the basis of general conditions	0.80%
0	Nanya Technology Corp.	Nanya Technology Corp., U.S.A	1	Accounts receivable	3,072,686	On the basis of general conditions	1.52%
0	Nanya Technology Corp.	Nanya Technology Corp., Japan	1	Accounts receivable	677,665	On the basis of general conditions	0.33%
0	Nanya Technology Corp.	Nanya Technology Europe GmbH	1	Accounts receivable	786,915	On the basis of general conditions	0.39%
0	Nanya Technology Corp.	Nanya Technology Corp. HK	1	Accounts receivable	27,774	On the basis of general conditions	0.01%
1	Nanya Technology Corp. Delaware	Nanya Technology Corp.	2	Accounts receivable	34,652	On the basis of general conditions	0.02%

Note 1: Assigned numbers represent the following:

1. 0 represents the parent company.
2. The subsidiaries are represented numerically starting from 1.

Note 2: The terms of transactions are defined as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to Subsidiary.

Note 3: The business relationship and significant transactions between the parent company and the subsidiary only disclose the importations of sales and account receivable, did not repeat about the purchase and account payable.

Note 4: The transactions were written off in the consolidated financial statements.

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
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(b) Information on investees (excluding information on investees in Mainland China):

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

(In Thousands of New Taiwan Dollars / Thousands Shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income of investee	Share of profits of investee	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
The Company	Nanya Technology Corp., U.S.A.	U.S.A	Sales of semiconductor products	20,392	20,392	2.4	100.00 %	257,790	17,729	17,729	(Note1)
The Company	Nanya Technology Corp., Delaware	U.S.A	Design of semiconductor products	36,005	36,005	-	100.00 %	277,897	19,233	19,233	(Note1)
The Company	Nanya Technology Corp., HK	Hong Kong	Sales of semiconductor products	66,271	66,271	19.7	100.00 %	130,399	14,715	14,715	(Note1)
The Company	Nanya Technology Corp., Japan	Japan	Sales of semiconductor products	20,161	20,161	1	100.00 %	497,389	30,690	30,690	(Note1)
The Company	Nanya Technology International, Ltd.	British Virgin Island	General investment business	38,220,100	48,145,600	1.3	100.00 %	48,057,781	1,760,337	1,760,337	(Note 1) (Note 3)
The Company	PieceMakers Technology, Inc.	Hsinchu	Design of semiconductor products	611,880	-	20,396	35.76 %	626,111	41,777	14,940	(Note1)
The Company	Formosa Advanced Technologies Co., Ltd.	Yunlin	Assembling, testing and producing modules for IC	5,099,482	5,099,482	141,511	32.00 %	4,718,433	201,297	157,367	(Note 2)
The Company	MemoLead Technology Corp.	Hsinchu	Design of semiconductor products	1,000	-	100	100.00 %	998	(2)	(2)	(Note1)
Nanya Technology Corp., HK	Nanya Technology Europe GmbH	Germany	Sales of semiconductor products	30,056	30,056	-	100.00 %	110,785	8,770	8,770	(Note1)

Note: (1) The transactions were written off in the consolidated financial statements.

(2) Investment accounted for using equity method.

(3) On March 25, 2025, Nanya Technology International, Ltd. resolved by the Board of Directors to carry out a cash capital reduction in line with its financial planning. The amount of capital reduction was \$9,925,500, with a total of 0.3 thousand shares being cancelled.

(c) Information on investment in mainland China:

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

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Nanya Technology Corp., Shenzhen	Sales of semiconductor products	30,012 (USD985 thousand)	(2)	30,012 (USD985 thousand)	-	-	30,012 (USD985 thousand)	4,926	100.00%	4,926	34,179	-

Note 1 : Three types of investments were as follows:

(1) Investing directly in Mainland China

(2) Investing the companies in Mainland China through third parties.

(3) Others

Note 2 : The financial statements were reviewed by a certified public accountant of the Taiwanese parent company.

Note3 : The transactions were written off in the consolidated financial statements.

(ii) Limitation on investment in Mainland China:

(In Thousands of New Taiwan Dollars)

Accumulated Investment in Mainland China as of September 30, 2025 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 1)	Upper Limit on Investment (Note 2)
30,012 (USD985 thousand)	30,012 (USD985 thousand)	94,405,717

Note 1 : The exchange rate of New Taiwan dollars to US dollars on September 30, 2025 was USD1 : TWD 30.469

Note 2 : 60% of net equity.

(iii) Significant transactions: None

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NANYA TECHNOLOGY CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(14) Segment information:

For the three months ended September 30, 2025						
	Overseas sales division	Overseas R&D division	Manufacturing divisions	Investment divisions	Adjustments and eliminated	Total
Revenue:						
From external customers	\$ 6,097,263	-	12,681,605	-	-	18,778,868
From sales among intersegments	13,597	100,078	5,957,623	-	(6,071,298)	-
Total revenue	<u>\$ 6,110,860</u>	<u>100,078</u>	<u>18,639,228</u>	<u>-</u>	<u>(6,071,298)</u>	<u>18,778,868</u>
Reportable segment profit or loss	<u>\$ 90,278</u>	<u>6,500</u>	<u>2,022,274</u>	<u>524,140</u>	<u>(620,256)</u>	<u>2,022,936</u>
For the three months ended September 30, 2024						
	Overseas sales division	Overseas R&D division	Manufacturing divisions	Investment divisions	Adjustments and eliminated	Total
Revenue:						
From external customers	\$ 2,811,317	-	5,321,276	-	-	8,132,593
From sales among intersegments	10,461	98,563	2,743,927	-	(2,852,951)	-
Total revenue	<u>\$ 2,821,778</u>	<u>98,563</u>	<u>8,065,203</u>	<u>-</u>	<u>(2,852,951)</u>	<u>8,132,593</u>
Reportable segment profit or loss	<u>\$ (126,792)</u>	<u>6,699</u>	<u>(1,829,542)</u>	<u>800,602</u>	<u>(678,904)</u>	<u>(1,827,937)</u>
For the nine months ended September 30, 2025						
	Overseas sales division	Overseas R&D division	Manufacturing divisions	Investment divisions	Adjustments and eliminated	Total
Revenue:						
From external customers	\$ 12,333,937	-	24,158,965	-	-	36,492,902
From sales among intersegments	35,704	293,222	11,987,043	-	(12,315,969)	-
Total revenue	<u>\$ 12,369,641</u>	<u>293,222</u>	<u>36,146,008</u>	<u>-</u>	<u>(12,315,969)</u>	<u>36,492,902</u>
Reportable segment profit or loss	<u>\$ 65,250</u>	<u>19,231</u>	<u>(5,502,999)</u>	<u>1,760,337</u>	<u>(1,842,702)</u>	<u>(5,500,883)</u>
For the nine months ended September 30, 2024						
	Overseas sales division	Overseas R&D division	Manufacturing divisions	Investment divisions	Adjustments and eliminated	Total
Revenue:						
From external customers	\$ 8,362,480	-	19,194,093	-	-	27,556,573
From sales among intersegments	34,641	308,361	8,146,339	-	(8,489,341)	-
Total revenue	<u>\$ 8,397,121</u>	<u>308,361</u>	<u>27,340,432</u>	<u>-</u>	<u>(8,489,341)</u>	<u>27,556,573</u>
Reportable segment profit or loss	<u>\$ 60,503</u>	<u>20,365</u>	<u>(4,648,658)</u>	<u>2,359,082</u>	<u>(2,435,598)</u>	<u>(4,644,306)</u>
Reportable segment assets						
Balance at September 30, 2025	<u>\$ 5,518,916</u>	<u>281,915</u>	<u>202,550,023</u>	<u>48,057,781</u>	<u>(53,845,998)</u>	<u>202,562,637</u>
Balance at December 31, 2024	<u>\$ 2,552,907</u>	<u>295,998</u>	<u>206,653,080</u>	<u>59,687,253</u>	<u>(62,482,921)</u>	<u>206,706,317</u>
Balance at September 30, 2024	<u>\$ 2,653,907</u>	<u>271,413</u>	<u>203,659,305</u>	<u>56,873,117</u>	<u>(59,808,420)</u>	<u>203,649,322</u>
Reportable segment liabilities						
Balance at September 30, 2025	<u>\$ 4,612,888</u>	<u>3,020</u>	<u>45,207,162</u>	<u>-</u>	<u>(4,603,294)</u>	<u>45,219,776</u>
Balance at December 31, 2024	<u>\$ 1,685,129</u>	<u>17,242</u>	<u>41,599,805</u>	<u>-</u>	<u>(1,649,134)</u>	<u>41,653,042</u>
Balance at September 30, 2024	<u>\$ 1,817,855</u>	<u>3,389</u>	<u>38,905,549</u>	<u>-</u>	<u>(1,831,227)</u>	<u>38,895,566</u>