

English Translation of Financial Statements and a Report Originally Issued in Chinese

**Ticker: 4566**

**GLOBAL TEK FABRICATION CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**WITH REVIEW REPORT OF INDEPENDENT AUDITORS**  
**AS OF JUNE 30, 2025 AND 2024**  
**AND FOR THE SIX -MONTH PERIODS THEN ENDED**

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*The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.*

English Translation of Financial Statements and a Report Originally Issued in Chinese

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**REVIEW REPORT OF INDEPENDENT AUDITORS**

To: The Board of Directors and Shareholders of  
Global Tek Fabrication Co., Ltd.

**Introduction**

We have reviewed the accompanying consolidated balance sheets of Global Tek Fabrication Co., Ltd. (the “Company”) and its subsidiaries as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated statements of changes in equity and cash flows for the six-month periods then ended, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

**Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of 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.

**Unqualified Conclusion**

Based on our reviews and the review reports of the other independent auditors (please refer to the Other Matter paragraph of our report), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the

consolidated financial position of the Company and its subsidiaries as of June 30, 2025 and 2024, and their consolidated financial performance for the three-month and six-month periods then ended and cash flows for the six-month periods then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

### **Other Matter – Making Reference to the Reviews of Other Independent Auditors**

We did not review the financial statements of certain consolidated subsidiaries as of June 30, 2024. Those financial statements were reviewed by other auditors whose reports have been furnished to us. The amounts related to these consolidated subsidiaries were based on the other auditors’ reports. The related total assets were NT\$891,934 thousand, representing 9% of consolidated total assets as of June 30, 2024, and total operating revenues of NT\$97,726 thousand and NT\$97,726 thousand, representing 8% and 4% of consolidated operating revenues for the three-month and six-month periods ended June 30, 2024, respectively.

/s/Cheng, Ching-Piao

/s/Fuh, Wen-Fun

Ernst & Young  
August 13, 2025  
Taipei, Taiwan  
Republic of China

### Notice to Readers

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

*Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.*

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

As of June 30, 2025, December 31, 2024 (Adjusted) and June 30, 2024 (Adjusted)

(Amounts Expressed In Thousands of New Taiwan Dollars)

Assets			As of June 30, 2025		As of December 31, 2024 (Adjusted)(Note)		As of June 30, 2024 (Adjusted) (Note)	
Code	Accounts	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	\$1,971,905	20	\$1,938,702	19	\$2,119,971	21
1110	Financial assets at fair value through profit or loss	6(2)	481	-	518	-	552	-
1136	Financial assets measured at amortized cost	6(4),8	16,201	-	134,825	1	57,325	1
1150	Notes receivables, net	6(5),8	233,688	2	261,149	3	167,473	2
1170	Accounts receivables, net	6(6),8	1,263,638	13	1,423,208	14	1,552,697	16
1180	Accounts receivable - related parties	6(6),7	-	-	-	-	-	-
1197	Financing lease payments receivable, net	6(7)	14,348	-	30,026	-	30,746	-
1200	Other receivables		38,807	-	48,953	1	65,106	1
1210	Other receivables - related parties	7	-	-	54	-	-	-
1220	Income tax assets		833	-	216	-	-	-
1310	Inventories, net	6(8)	1,046,664	11	1,112,913	11	1,087,329	11
1410	Prepayments		236,679	3	229,936	2	239,016	2
1470	Other current assets		5,618	-	10,325	-	16,948	-
11xx	Total current assets		<u>4,828,862</u>	<u>49</u>	<u>5,190,825</u>	<u>51</u>	<u>5,337,163</u>	<u>54</u>
	Non-current assets							
1510	Financial assets at fair value through profit or loss	6(2)	96	-	203	-	1,105	-
1517	Financial assets at fair value through other comprehensive income	6(3)	48,666	1	48,666	-	80,234	1
1535	Financial assets measured at amortized cost	6(4),8	17,122	-	8,110	-	4,687	-
1550	Investment accounted for under equity method	6(9)	-	-	-	-	-	-
1600	Property, plant and equipment	6(10),8	3,918,993	40	3,962,305	39	3,780,414	38
1755	Right-of-use asset	6(23)	656,150	7	686,617	7	265,940	3
1760	Investment property, net	6(11)	9,764	-	11,004	-	11,243	-
1780	Intangible assets	6(12)	124,246	1	114,954	1	218,132	2
1840	Deferred tax assets	4	125,800	1	130,877	1	137,293	1
1915	Prepayment for equipment	9	70,110	1	69,256	1	89,962	1
194D	Long-term financing lease payments receivable	6(7)	2,182	-	16,614	-	32,054	-
1990	Other non-current assets	6(13),8	19,875	-	20,831	-	14,723	-
15xx	Total non-current assets		<u>4,993,004</u>	<u>51</u>	<u>5,069,437</u>	<u>49</u>	<u>4,635,787</u>	<u>46</u>
1xxx	Total Assets		<u>\$9,821,866</u>	<u>100</u>	<u>\$10,260,262</u>	<u>100</u>	<u>\$9,972,950</u>	<u>100</u>

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

Note: The Group has completed the assessment of the fair value of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. on the day of gaining control.

Therefore, the consolidated balance sheets as of December 31, 2024, and June 30, 2024, have been adjusted. For details, please refer to Note 6(29).

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Consolidated Balance Sheets (Continued)

As of June 30, 2025, December 31, 2024 (Adjusted) and June 30, 2024 (Adjusted)

(Amounts Expressed In Thousands of New Taiwan Dollars)

Liabilities and Equity			As of June 30, 2025		As of December 31, 2024 (Adjusted)(Note)		As of June 30, 2024 (Adjusted) (Note)	
Code	Accounts	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term loans	6(14),8	\$831,955	9	\$517,262	5	\$454,882	5
2130	Contract liabilities	6(21)	29,798	-	46,010	1	42,251	-
2150	Notes payables		113,169	1	173,341	2	139,373	1
2170	Accounts payables		674,389	7	739,958	7	771,778	8
2180	Accounts payable - relaed parties	7	5,555	-	6,221	-	6,008	-
2200	Other payables	6(15)	644,096	7	630,147	6	588,923	6
2220	Other payables - related parties	7	17,636	-	31,862	1	31,878	-
2230	Current income tax liabilities	4	14,628	-	15,974	-	25,738	-
2280	Lease liabilities	6(23)	26,876	-	26,475	-	39,017	-
2321	Current portion of bonds payable	6(16)	-	-	100	-	65,316	2
2322	Current portion of long-term loans	6(17),8	308,452	3	452,758	4	334,576	3
2399	Other current liabilities		5,983	-	4,843	-	15,631	-
21xx	Total current liabilities		2,672,537	27	2,644,951	26	2,515,371	25
	Non-current liabilities							
2530	Corporate bonds payable	6(16)	40,619	-	44,587	-	320,240	3
2540	Long-term loans	6(17),8	1,691,833	17	1,674,479	16	1,954,887	20
2570	Deferred income tax liabilities	4	242,693	3	259,947	3	259,777	2
2580	Lease liabilities	6(23)	563,133	6	574,172	6	129,774	2
2600	Other non-current liabilities	6(18)	10,462	-	12,496	-	13,385	-
25xx	Total non-current liabilities		2,548,740	26	2,565,681	25	2,678,063	27
2xxx	Total liabilities		5,221,277	53	5,210,632	51	5,193,434	52
31xx	Equity attributable to shareholders of the parent							
3100	Capital	6(20)						
3110	Common stock		1,098,097	11	1,097,208	11	1,024,853	10
3200	Capital surplus	6(20)	2,809,048	29	2,805,479	27	2,535,755	26
3300	Retained earnings	6(20)						
3310	Legal reserve		202,156	2	181,468	2	181,468	2
3320	Special reserve		26,425	-	96,677	1	96,677	1
3350	Unappropriated earnings		661,075	7	796,880	8	837,822	8
3400	Other components of equity		(274,575)	(3)	(26,337)	-	(49,970)	(1)
36xx	Non-controlling interests	6(20)	78,363	1	98,255	-	152,911	2
3xxx	Total equity		4,600,589	47	5,049,630	49	4,779,516	48
3x2x	Total liabilities and equity		\$9,821,866	100	\$10,260,262	100	\$9,972,950	100

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

Note: The Group has completed the assessment of the fair value of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. on the day of gaining control.

Therefore, the consolidated balance sheets as of December 31, 2024, and June 30, 2024, have been adjusted. For details, please refer to Note 6(29).

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
Global Tek Fabrication Co., Ltd. and Subsidiaries  
Consolidated Statements of Comprehensive Incomes  
For the three-month and six-month periods ended June 30, 2025 and 2024(Adjusted)  
(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Notes	For the three-month period ended June 30,				For the six-month period ended June 30,			
			2025		2024 (Adjusted)(Note)		2025		2024 (Adjusted)(Note)	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenues	6(21),7	\$1,238,236	100	\$1,259,984	100	\$2,490,585	100	\$2,314,672	100
5000	Operating costs	6(8)	(960,945)	(78)	(993,211)	(79)	(1,912,075)	(77)	(1,804,537)	(78)
5900	Gross profit		277,291	22	266,773	21	578,510	23	510,135	22
6000	Operating expenses									
6100	Sales and marketing		(80,109)	(6)	(84,469)	(7)	(169,040)	(7)	(151,534)	(7)
6200	General and administrative		(110,454)	(9)	(88,410)	(7)	(217,767)	(9)	(164,017)	(7)
6300	Research and development		(40,950)	(3)	(41,380)	(3)	(83,640)	(3)	(79,314)	(3)
6450	Expected credit (losses) gains	6(22)	511	-	(2,565)	-	(2,298)	-	(4,191)	-
	Total operating expenses		(231,002)	(18)	(216,824)	(17)	(472,745)	(19)	(399,056)	(17)
6900	Operating income		46,289	4	49,949	4	105,765	4	111,079	5
7000	Non-operating incomes and expenses									
7100	Interest incomes	6(25),7	9,590	1	20,320	2	21,353	1	39,214	2
7010	Other incomes	6(25),7	28,691	2	26,602	2	55,911	2	46,526	2
7020	Other gains and losses	6(25)	(200,005)	(16)	41,393	4	(171,647)	(7)	117,956	5
7050	Finance costs	6(25)	(20,310)	(2)	(20,651)	(2)	(40,645)	(2)	(34,761)	(2)
7060	Share of profit or loss of associates and joint ventures accounted for under the equity method	6(9)	-	-	2,917	-	-	-	5,105	-
	Total non-operating income and expenses		(182,034)	(15)	70,581	6	(135,028)	(6)	174,040	7
7900	Income (loss) before income tax		(135,745)	(10)	120,530	10	(29,263)	(2)	285,119	12
7950	Income tax (expense) benefit	4,6(27)	10,500	-	(24,619)	(2)	(10,974)	-	(54,889)	(2)
8200	Net income (loss)		(125,245)	(10)	95,911	8	(40,237)	(2)	230,230	10
8300	Other comprehensive income (loss)	6(26)								
8310	Items that not be reclassified to profit or loss									
8316	Unrealized gain (loss) on equity instrument investment measured at fair value through other comprehensive income		-	-	159	-	-	-	(41)	-
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of foreign operations		(293,707)	(23)	11,344	1	(248,262)	(10)	45,980	2
	Total other comprehensive income (loss), net of tax		(293,707)	(23)	11,503	1	(248,262)	(10)	45,939	2
8500	Total comprehensive income		<u>\$(418,952)</u>	<u>(33)</u>	<u>\$107,414</u>	<u>9</u>	<u>\$(288,499)</u>	<u>(12)</u>	<u>\$276,169</u>	<u>12</u>
8600	Net income (loss) attributable to:									
8610	Shareholders of the parent		\$(108,242)	(9)	\$105,192	8	\$(20,369)	(1)	\$239,511	10
8620	Non-controlling interests		(17,003)	(1)	(9,281)	-	(19,868)	(1)	(9,281)	-
			<u>\$(125,245)</u>	<u>(10)</u>	<u>\$95,911</u>	<u>8</u>	<u>\$(40,237)</u>	<u>(2)</u>	<u>\$230,230</u>	<u>10</u>
8700	Comprehensive income (loss) attributable to:									
8710	Shareholders of the parent		\$(401,566)	(32)	\$117,463	9	\$(268,607)	(11)	\$286,218	12
8720	Non-controlling interests		(17,386)	(1)	(10,049)	-	(19,892)	(1)	(10,049)	-
			<u>\$(418,952)</u>	<u>(33)</u>	<u>\$107,414</u>	<u>9</u>	<u>\$(288,499)</u>	<u>(12)</u>	<u>\$276,169</u>	<u>12</u>
9750	Earnings (losses) per share — basic (in NT\$)	6(28)	<u>\$(0.99)</u>		<u>\$1.15</u>		<u>\$(0.19)</u>		<u>\$2.62</u>	
9850	Earnings (losses) per share — diluted (in NT\$)	6(28)	<u>\$(0.99)</u>		<u>\$0.98</u>		<u>\$(0.19)</u>		<u>\$2.22</u>	

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

Note: The Group has completed the assessment of the fair value of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. on the day of gaining control.

Therefore, the consolidated statements of comprehensive income (loss) for the six-month period ended June 30, 2024, has been adjusted, reducing the net income after tax in the amount of NT\$1,076 thousand.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

For the six-month periods ended June 30, 2025 and 2024(Adjusted)

(Amounts Expressed In Thousands of New Taiwan Dollars)

Code	Items	Equity Attributable to Shareholders of the Parent								Non-controlling Interests	Total Equity
		Common Stock	Capital Surplus	Retained Earnings			Other Components of equity		Total		
				Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences arising on translation of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income (loss)			
3100	3200	3310	3320	3350	3410	3420	31XX	36XX	3XXX		
A1	Balance as of January 1, 2024	\$910,414	\$2,109,225	\$155,987	\$72,027	\$779,442	\$(109,329)	\$12,652	\$3,930,418	\$-	\$3,930,418
B1	Legal reserve appropriated			25,481		(25,481)		-	-		-
B3	Special reserve				24,650	(24,650)		-	-		-
B5	Cash dividends - common shares					(131,000)		(131,000)			(131,000)
D1	Net income for the six-month period ended June 30, 2024(Adjusted)(Note)					239,511		239,511	(9,281)		230,230
D3	Other comprehensive income (loss), for the six-month period ended June 30, 2024						46,748	(41)	46,707	(768)	45,939
D5	Total comprehensive income (loss)	-	-	-	-	239,511	46,748	(41)	286,218	(10,049)	276,169
I1	Conversion of convertible bonds	114,439	426,530						540,969		540,969
O1	Non-controlling interests increase (decrease)								-	162,960	162,960
Z1	Balance as of June 30, 2024 (Adjusted)(Note)	\$1,024,853	\$2,535,755	\$181,468	\$96,677	\$837,822	\$(62,581)	\$12,611	\$4,626,605	\$152,911	\$4,779,516
A1	Balance as of January 1, 2025 (Adjusted)(Note)	\$1,097,208	\$2,805,479	\$181,468	\$96,677	\$796,880	\$(39,809)	\$13,472	\$4,951,375	\$98,255	\$5,049,630
B1	Legal reserve appropriated			20,688		(20,688)		-	-		-
B3	Special reserve				(70,252)	70,252		-	-		-
B5	Cash dividends - common shares					(165,000)		(165,000)			(165,000)
D1	Net income (loss) for the six-month period ended June 30, 2025					(20,369)		(20,369)	(19,868)		(40,237)
D3	Other comprehensive income (loss), for the six-month period ended June 30, 2025						(248,238)	(248,238)	(24)		(248,262)
D5	Total comprehensive income (loss)	-	-	-	-	(20,369)	(248,238)	-	(268,607)	(19,892)	(288,499)
I1	Conversion of convertible bonds	889	3,569					4,458			4,458
Z1	Balance as of June 30, 2025	\$1,098,097	\$2,809,048	\$202,156	\$26,425	\$661,075	\$(288,047)	\$13,472	\$4,522,226	\$78,363	\$4,600,589

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

Note: The Group has completed the assessment of the fair value of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. on the day of gaining control. Therefore, the consolidated statements of changes in equity for the six-month period ended June 30, 2024, and the balance as of January 1, 2025, have been adjusted. For details, please refer to Note 6(29).



English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the six-month periods ended June 30, 2025 and 2024(Adjusted)

(Amounts Expressed In Thousands of New Taiwan Dollars)

Code	Items	For the six-month periods ended June 30,		Code	Items	For the six-month periods ended June 30,	
		2025	2024 (Adjusted) (Note)			2025	2024 (Adjusted) (Note)
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Net income (loss) before tax	\$(29,263)	\$285,119	B00040	Disposal (acquisition) of financial assets measured at amortized cost	109,612	(59,200)
A20000	Adjustments:			B01800	Acquisition of investment accounted for under equity method	-	(24,750)
A20010	Income and expense adjustments:			B02200	Acquisition of subsidiaries (net of cash received)	-	111,999
A20100	Depreciation (including right-of-use assets)	163,663	116,470	B02700	Acquisition of property, plant and equipment	(143,849)	(48,596)
A20200	Amortization	7,441	4,086	B02800	Proceeds from disposal of property, plant and equipment	2,645	7,096
A20300	Expected credit losses (gain)	2,298	4,191	B03800	Decrease in refundable deposits	1,104	1,477
A20400	Net loss (gain) of financial assets at fair value through profit or loss	144	(30)	B04300	Decrease (increase) in other receivables - related parties	54	18,274
A20900	Interest expense	40,645	34,761	B04500	Acquisition of intangible assets	(6,170)	(4,855)
A21200	Interest income	(21,353)	(39,214)	B06000	Decrease (increase) in financing lease payments receivable	28,694	18,439
A22300	Share of profit or loss of associates and joint ventures accounted for under the equity method	-	(5,105)	B07100	Increase in prepayments for equipment	(64,087)	(94,296)
A22500	Loss on disposal of property, plant and equipment	370	489	BBBB	Net cash provided by (used in) investing activities	(71,997)	(74,412)
A23100	Disposal of investment losses (profits)	-	(11,572)				
A29900	Loss (gain) on inventory valuation	(14,582)	19,640				
A29900	Gain on government grants	(598)	(606)	CCCC	Cash flows from financing activities:		
A30000	Changes in operating assets and liabilities:			C00100	Increase in (repayment of) short-term loans	314,693	41,244
A31130	Notes receivables	27,461	(9,476)	C01600	Increase in long-term loans	30,000	150,000
A31150	Accounts receivables	169,737	(187,669)	C01700	Repayment of long-term loans	(141,487)	(74,204)
A31180	Other receivables	8,364	11,392	C03000	Increase (decrease) in guarantee deposits	(926)	1,919
A31200	Inventories	95,187	78,019	C04020	Cash payments for the principal portion of the lease liabilities	(21,859)	(13,858)
A31230	Prepayments	(6,444)	(39,247)	C04500	Cash dividends paid	(165,000)	(131,000)
A31240	Other current assets	4,707	(10,480)	C05800	Increase(decrease) in non-controlling interests	-	605
A32125	Contract liabilities	(16,212)	7,334	CCCC	Cash flows from financing activities	15,421	(25,294)
A32130	Notes payables	(60,172)	(32,287)				
A32150	Accounts payables	(65,569)	5,577	DDDD	Effect of exchange rate changes	(132,660)	22,207
A32180	Other payables	(29,232)	59,785				
A32190	Other payables - related parties	(14,226)	(18,022)	EEEE	Increase (decrease) in cash and cash equivalents	33,203	154,633
A32230	Other current liabilities	1,140	9,800	E00100	Cash and cash equivalents at beginning of period	1,938,702	1,965,338
A32240	Net defined benefit liabilities	(284)	(267)	E00200	Cash and cash equivalents at end of period	\$1,971,905	\$2,119,971
A33000	Cash generated from (used in) operations	263,222	282,688				
A33100	Interest received	22,621	38,436				
A33300	Interest paid	(31,228)	(27,399)				
A33500	Income tax paid	(32,176)	(61,593)				
AAAA	Net cash provided by (used in) operating activities	222,439	232,132				

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

Note: The Group has completed the assessment of the fair value of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. on the day of gaining control. Therefore, the consolidated statements of cash flows for the six-month period ended June 30, 2024, has been adjusted.

English Translation of Consolidated Financial Statements and Footnotes Originally Issued in Chinese  
Global Tek Fabrication Co., Ltd. and subsidiaries  
Notes to the Consolidated Financial Statements  
As of June 30, 2025 and 2024 and for the six-month periods then ended  
(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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1. HISTORY AND ORGANIZATION

Global Tek Fabrication Co., Ltd. (the “Company”) was incorporated on November 7, 2008. Its main business activities include the manufacture of precision machining, and the main products are industrial automatic control parts, communication parts, aviation equipment parts, etc. The Company's stocks were publicly listed on the Taiwan Stock Exchange (TWSE) on February 5, 2018. The Company’s registered office is at 15th floor, No. 94, Section 1, Xintai 5th Road, Xizhi District, New Taipei City, Taiwan 22102.

2. DATE AND PROCEDURE OF AUTHORIZATION FOR FINANCIAL STATEMENTS ISSUANCE

The consolidated financial statements of the Company and its subsidiaries (“the Group”) for the six-month periods ended June 30, 2025 and 2024 were authorized for issue by the Board of Directors on August 13, 2025.

3. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have been endorsed by FSC, and not yet adopted by the Group as at the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 17 “Insurance Contracts”	January 1, 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

(a) IFRS 17 “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

(b) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (3) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(c) Annual Improvements to IFRS Accounting Standards – Volume 11

(1) Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

(2) Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on derecognition.

(3) Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

(4) Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

(5) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(6) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

(d) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.
- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after January 1, 2026 and have no material impact on the Group.

- (3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027

- (a) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

(b) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

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

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

(2) Enhanced transparency of management-defined performance measures

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

(3) Useful grouping of information in the financial statements

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

(c) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (b), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (1) Statement of compliance

The consolidated financial statements of the Group for the six-month periods ended June 30, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and IAS 34 Interim Financial Reporting as endorsed and became effective by the FSC.

Except for the following 4(4)~4(5), the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024. For more details, please refer to Note 4 of the Company's consolidated financial statements for the year ended December 31, 2024.

##### (2) Basis of preparation

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

##### (3) Basis of consolidation

The same principles of consolidation have been applied in the Company's consolidated financial statements as those applied in the Company's consolidated financial statements for the year ended December 31, 2024. For the principles of consolidation, please refer to Note 4(3) of the Company's consolidated financial statements for the year ended December 31, 2024.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The consolidated entities are listed as follows:

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
The Company	Global Tek Co., Ltd.	Precision machining	100.00%	100.00%	100.00%
The Company	Global Tek Fabrication Co., Ltd. (Samoa)	Investing activities	100.00%	100.00%	100.00%
The Company	Global Tek GmbH	Trading activities	100.00%	100.00%	100.00%
The Company	AvioCast Inc.	Aerospace aluminum alloy manufacturing	59.56% (Note 1)	59.56% (Note 1)	50.23% (Note 1)
The Company	GLOBAL TEK 株式会社	Trading activities	90.00% (Note 2)	90.00% (Note 2)	90.00% (Note 2)
The Company	GLOBAL TEK GROUP (THAI) CO., LTD.	Precision machining	100.00% (Note 3)	100.00% (Note 3)	100.00% (Note 3)
The Company	GLOBAL TEK AVIATION(THAI) CO., LTD.	Precision machining	100.00% (Note 4)	100.00% (Note 4)	100.00% (Note 4)
AvioCast Inc.	ALTEMIS INC.	Aerospace aluminum alloy manufacturing	-% (Note 1)	-% (Note 1)	100.00% (Note 1)
Global Tek Co., Ltd.	GP TECH, INC.	Trading activities	100.00%	100.00%	100.00%
Global Tek Fabrication Co., Ltd. (Samoa)	Global Tek Co., Ltd. (Samoa)	Investing activities	100.00%	100.00%	100.00%

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Global Tek Fabrication Co., Ltd. (Samoa)	Global Tek Fabrication Co., Ltd. (HK)	Investing activities	92.76%	92.76%	92.76%
Global Tek Fabrication Co., LTD. (Samoa)	Top Yes (Suzhou) Precision Industry Co., Ltd.	Precision machining	22.10% (Note 5)	22.10% (Note 5)	22.10% (Note 5)
Global Tek Co., Ltd. (Samoa)	Global Tek Fabrication Co., LTD. (HK)	Investing activities	7.24%	7.24%	7.24%
Global Tek Co., Ltd. (Samoa)	Global Tek (Xi' An) Co., Ltd.	Precision machining	100.00%	100.00%	100.00%
Global Tek Co., Ltd. (Samoa)	Global Tek (Wuxi) Co., Ltd.	Precision machining	47.02%	47.02%	47.02%
Global Tek Fabrication Co., Ltd. (HK)	Global Tek (Wuxi) Co., Ltd.	Precision machining	52.98%	52.98%	52.98%
Global Tek (Wuxi) Co., Ltd.	Top Yes (Suzhou) Precision Industry Co., Ltd.	Precision machining	31.21% (Note 5)	31.21% (Note 5)	31.21% (Note 5)
Global Tek (Xi' An) Co., Ltd.	Globaltek (Xi' An) Machinery Manufacturing Co., Ltd.	Trading activities	100.00%	100.00%	100.00%

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Global Tek (Xi'An) Co., Ltd.	Global Tek Metal Manufacturing (Shaanxi) Co., Ltd.	Trading activities	100.00%	100.00%	100.00%

Note 1: The Group signed a Share Purchase Agreement with Sumitomo Precision Products Co., Ltd. on March 8, 2021. The Company intends to purchase 9,842 thousand ordinary shares of AvioCast Inc. at NT\$12.1 per share (totaling NT\$119,088 thousand), with an ownership percentage of 36.72%, acquiring significant influence of the AvioCast Inc. The transaction has been completed on April 21, 2021.

On December 28, 2023, the Group's board of directors resolved to purchase 3,300 thousand ordinary shares of AvioCast Inc. at NT\$24,750 thousand. As a result of the offering, the Group's share interest on AvioCast Inc. increased from 36.72% to 49.04%. The transfer of shareholding rights has completed on March 13, 2024.

To continue the vertical integration of its production supply chain and deepen its aerospace product line, the Group's board of directors resolved on March 14, 2024, to purchase 319 thousand shares from AvioCast Inc.'s shareholders, increasing its share interest from 49.03% to 50.23%. The Group gained control and included AvioCast Inc. as part of its consolidated financial statements in April 2024.

On October 9, 2024, the Group's board of directors resolved to purchase 2,500 thousand ordinary shares of AvioCast Inc. at NT\$45,000 thousand. As a result of the offering, the Group's share interest on AvioCast Inc. increased from 50.23% to 59.56%. The transfer of shareholding rights has completed on November 25, 2024.

On October 1, 2024, AvioCast Inc. absorbed and merged with ALTEMIS INC. After the merger, AvioCast Inc. is the surviving company, while ALTEMIS INC. is the dissolved company.

Note 2: To enhance the Group's operational efficiency, the Company established a subsidiary, GLOBAL TEK 株式会社, with a 90% ownership percentage. The company completed its registration in April 2024.

Note 3: To enhance the Group's operational efficiency, the Company established a subsidiary, GLOBAL TEK GROUP (THAI) CO., LTD., with a 100% ownership percentage. The company completed the related registration changes in June 2024.

Note 4: To enhance the Group's operational efficiency, the Company established a subsidiary, GLOBAL TEK AVIATION (THAI) CO., LTD., with a 100% ownership percentage. The company completed the related registration changes in June 2024.

Note 5: On August 8, 2019, the Group acquired partial equity of Top Yes (Suzhou) Precision Industry Co., Ltd. for RMB3,000 thousand upon board resolution, considering the scale of operation, long-term development and competitiveness enhancement. The Group obtained two of the five directorship seats which has a significant impact on the company.

On March 25, 2022, considering the operational development plan and to strengthen the strategic partnership, the Group's board of directors resolved to invest RMB30,000 thousand (approximately USD4,724 thousand) through Global Tek Fabrication Co., Ltd. (Samoa) to acquire partial ownership of Top Yes (Suzhou) Precision Industry Co., Ltd., which has been approved by the Investment Committee of the Ministry of Economic Affairs with Letter Jing-Shen-Er-Zi No.11100053870. As of March 31, 2024, the investment amount of RMB30,000 thousand (approximately USD4,724 thousand) had been remitted.

On December 27, 2022, the Group's board of directors resolved to increase its investment in Top Yes (Suzhou) Precision Industry Co., Ltd. through sub-subsidiary Global Tek (Wuxi) Co., Ltd. As of December 31, 2022, the Group has remitted the investment amount to RMB6,000 thousand (approximately US\$945 thousand).

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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In May 2024, Top Yes (Suzhou) Precision Industry Co., Ltd. completed a cash capital increase. The Group's equity percentage increased from 4.11% to 31.21% through its subsidiary, Global Tek (Wuxi) Co., Ltd., and through its subsidiary Global Tek Fabrication Co., LTD. (Samoa), the ownership percentage was 22.10%. The Group's final consolidated ownership percentage reached 53.31%, thereby gaining control of the company in May 2024, and it was included as a part of the Group's consolidated financial statements.

(4) Post-employment benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted and disclosed for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(5) Income tax

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. Only current income tax expense is using the estimated average annual effective income tax rate while deferred income tax is recognized and measured in consistent with annual financial reporting in accordance with IAS 12, "Income Tax." The impact of tax rate change in interim period, if any, is recognized in earnings, other comprehensive income or directly equity.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The same significant accounting judgments, estimates and assumptions have been applied in the Company's consolidated financial statements for the six-month periods ended June 30, 2025 as those applied in the Company's consolidated financial statements for the year ended December 31, 2024. For significant accounting judgments, estimates and assumptions, please refer to Note 5 of the Company's consolidated financial statements for the year ended December 31, 2024.

6. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Cash and petty cash	\$2,029	\$2,034	\$2,155
Checking and saving	1,281,728	1,093,861	964,317
Time deposit (Note)	688,148	842,807	1,153,499
Total	<u>\$1,971,905</u>	<u>\$1,938,702</u>	<u>\$2,119,971</u>

Note: The contract will expire within three months and it must be readily convertible to a known amount of cash and be subject to an insignificant risk of change in value.

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

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Mandatorily measured at fair value through profit or loss:			
Convertible corporate bond redemption rights	\$96	\$203	\$1,105
Non-derivative financial assets			
- Certificate of benefit of the fund	481	518	552
Total	<u>\$577</u>	<u>\$721</u>	<u>\$1,657</u>
Current	<u>\$481</u>	<u>\$518</u>	<u>\$552</u>
Non-current	<u>\$96</u>	<u>\$203</u>	<u>\$1,105</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

No financial assets at fair value through profit or loss was pledged as collateral.

(3) Financial assets at fair value through other comprehensive income

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Equity instruments investments measured at fair value through other comprehensive income – Non-current:			
Unlisted companies stocks			
Techplasma Technology Co., Ltd.	\$48,666	\$48,666	\$50,047
Allied Advantage Sdn Bhd	-	-	12,837
Formtechnology GmbH	-	-	17,350
Total	<u>\$48,666</u>	<u>\$48,666</u>	<u>\$80,234</u>

(a) No financial assets at fair value through other comprehensive income was pledged as collateral.

(b) On January 9, 2020, the board of directors resolved to invest in Techplasma Technology Co., Ltd. according to the medium and long-term strategy, and expected to make profits through long-term investment.

In 2023, the Group increased investing NT\$5,193 thousand in Techplasma Technology Co., Ltd., and obtained 164 thousand shares.

(c) The Group's 19% equity investment in Malaysia-based Allied Advantage Sdn Bhd in July 2020 lost material influence following the resignation of the director from the Group. Because it is a medium-to-long-term strategic investment, the Group chose to designate the investment as measured at fair value through other comprehensive income.

The Group considered selling its equity interests as an investment strategy. The Group fully recovered the purchase price and transferred all equity interests in 2024.

(d) On December 24, 2020, the board of directors resolved to invest in Formtechnology GmbH according to the medium and long-term strategy, and it is expected to make profits through long-term investment. The investment was completed in April 2021.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Formtechnology Gmbh filed the bankruptcy to local Court in Germany and the local Court appointed provisional assignee in December 2024. As of June 30, 2025, the bankruptcy and liquidation has not been completed. Details on derecognition of such investments for the year ended December 31, 2024 is as follows:

	<u>For the year ended December 31,</u>
	<u>2024</u>
The fair value of the investments at the date of derecognition	\$-
The cumulative loss on disposal reclassified from other equity to retained earnings	(17,758)

(4) Financial assets measured at amortized cost

	<u>As of</u>		
	<u>Jun. 30, 2025</u>	<u>Dec. 31, 2024</u>	<u>Jun. 30, 2024</u>
Restricted of deposits	\$33,323	\$142,935	\$62,012
Time deposits	-	-	-
Total	<u>\$33,323</u>	<u>\$142,935</u>	<u>\$62,012</u>
Current	<u>\$16,201</u>	<u>\$134,825</u>	<u>\$57,325</u>
Non-current	<u>\$17,122</u>	<u>\$8,110</u>	<u>\$4,687</u>

The Group transacts with financial institutions with good credit rating. Consequently, there is no significant credit risk.

The Group classified certain financial assets as financial assets measured at amortized cost. Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(5) Notes receivable

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Notes receivables arising from operating activities	\$233,688	\$261,149	\$167,473
Less: loss allowance	-	-	-
Total	\$233,688	\$261,149	\$167,473

Please refer to Note 8 for more details on assets pledged as collaterals .

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(22) for more details on loss allowance and Note 12 for more details on credit risk.

(6) Accounts receivable and accounts receivable - related parties, net

(a) Accounts receivables and accounts receivable - related parties, net

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Accounts receivables, gross	\$1,302,207	\$1,463,900	\$1,582,623
Less: loss allowance	(38,569)	(40,692)	(29,926)
Subtotal	1,263,638	1,423,208	1,552,697
Accounts receivables-related parties, gross	100,538	109,248	106,087
Less: loss allowance	(100,538)	(109,248)	(106,087)
Subtotal	-	-	-
Total	\$1,263,638	\$1,423,208	\$1,552,697

(b) Please refer to Note 8 for more details on assets pledged as collaterals.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(c) Accounts receivable are generally on 60~120 day terms. The total carrying amount as of June 30, 2025, December 31, 2024 and June 30, 2024, were NT\$1,402,745 thousand, NT\$1,573,148 thousand and NT\$1,688,710 thousand, respectively. Please refer to Note 6 (22) for more details on loss allowance of accounts receivables for the six-month periods ended June 30, 2025 and 2024, respectively. Please refer to Note 12 for more details on credit risk management.

(7) Financial lease payments receivable

	As of			
	Jun. 30, 2025		Dec. 31, 2024	
	Net investment in leases	Present value of receivables on minimum lease payments	Net investment in leases	Present value of receivables on minimum lease payments
Not more than one year	\$14,446	\$14,348	\$30,852	\$30,026
More than one year but less than five years	2,211	2,182	16,779	16,614
Total non-discounted lease payments	16,657	\$16,530	47,631	\$46,640
Less: Unearned finance income	(127)		(991)	
Gross investment in the lease (Financing lease payments receivable)	\$16,530		\$46,640	
Current	\$14,348		\$30,026	
Non-current	2,182		16,614	
Total	\$16,530		\$46,640	

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As of	
	Jun. 30, 2024	
	Net investment in leases	Present value of receivables on minimum lease payments
Not more than one year	\$32,442	\$30,746
More than one year but less than five years	32,430	32,054
Total non-discounted lease payments	64,872	\$62,800
Less: Unearned finance income	(2,072)	
Gross investment in the lease (Financing lease payments receivable)	\$62,800	
Current	\$30,746	
Non-current	32,054	
Total	\$62,800	

- (a) Financial lease payments receivable were not pledged.
- (b) The Group has signed financial lease agreements for some machines and equipment. All leases are presented in New Taiwan Dollars, and the average financial lease period is 1 to 5 years.

The implied interest rate of the lease during the lease period will not change after the contract date is determined. As of June 30, 2025, December 31, 2024 and June 30, 2024, the implied interest rate of the financial lease is 2.0% to 2.5% per annum.

Finance lease receivables are secured by leased equipment. The Group shall not sell or re-pledge the collateral unless the lessee defaults.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

- (c) The Group adopts the simplified approach of IFRS 9 to measure the allowance loss of lease receivables based on expected credit losses during the duration. Lease receivables are secured by leased equipment. As of June 30, 2025, December 31, 2024 and June 30, 2024, there were no overdue lease receivables, and at the same time, the counterparty's past record of default, the future development of the relevant properties of the leased object and collateral, the Group believes that the above-mentioned lease receivables have no impairment.

(8) Inventories

- (a) Details of inventories are listed below:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Raw materials	\$161,654	\$174,756	\$192,147
Work in progress	368,534	343,516	366,166
Finished goods	424,301	493,763	430,447
Merchandises	92,175	100,878	98,569
Total	<u>\$1,046,664</u>	<u>\$1,112,913</u>	<u>\$1,087,329</u>

- (b) The cost of inventories recognized in expenses amounted to NT\$960,945 thousand, NT\$993,211 thousand, NT\$1,912,075 thousand and NT\$1,804,537 thousand for the three-month and six-month periods ended June 30, 2025 and 2024, respectively.

Item	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Loss (Gain) from inventory market decline	\$(10,504)	\$13,742	\$(14,582)	\$19,640
Unallocated manufacturing overhead	9,417	8,824	17,618	17,726
Loss from inventory write-off obsolescence	3,507	606	4,760	1,157
Total	<u>\$2,420</u>	<u>\$23,172</u>	<u>\$7,796</u>	<u>\$38,523</u>

## Global Tek Fabrication Co., Ltd. and subsidiaries

## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the six-month periods ended June 30, 2025, evaluating the previous slow moving inventories has been disposed, the Group recognized the reversal gain, which loss from inventory market decline.

(c)The inventories were not pledged.

## (9) Investments accounted for under equity method

Investee companies	As of					
	Jun. 30, 2025		Dec. 31, 2024		Jun. 30, 2024	
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:						
AvioCast Inc.	\$-	-%	\$-	-%	\$-	-%
Top Yes (Suzhou) Precision Industry Co., Ltd.	-	-%	-	-%	-	-%
Total	<u>\$-</u>		<u>\$-</u>		<u>\$-</u>	

(a)The Group signed a Share Purchase Agreement with Sumitomo Precision Products Co., Ltd. on March 8, 2021. The Company intends to purchase 9,842 thousand ordinary shares of AvioCast Inc. at NT\$12.1 per share (totaling NT\$119,088 thousand), with an ownership percentage of 36.72%, acquiring significant influence of the AvioCast Inc. The transaction has been completed on April 21, 2021.

On December 28, 2023, the Group's board of directors resolved to purchase 3,300 thousand ordinary shares of AvioCast Inc. at NT\$24,750 thousand. As a result of the offering, the Group's share interest on AvioCast Inc. increased from 36.72% to 49.02%. The transfer of shareholding rights has completed on March 31, 2024.

To continue the vertical integration of its production supply chain and deepen its aerospace product line, the Group's Board of Directors resolved on March 14, 2024, to purchase 319 thousand shares from AvioCast Inc.'s shareholders, increasing its share interest from 49.03% to 50.23%. The Group gained control and included AvioCast Inc. as part of its consolidated financial statements in April 2024.

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Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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(b) On August 8, 2019, the Group acquired partial equity of Top Yes (Suzhou) Precision Industry Co., Ltd. for RMB 3,000 thousand upon board resolution, considering the scale of operation, long-term development and enhancing competitiveness. The Group obtained two of the five directorship seats which has a significant impact on the company.

On March 25, 2022, considering the operational development plan and to strengthen the strategic partnership, the Group's board of directors resolved to invest RMB 30,000 thousand (approximately US\$ 4,725 thousand) through Global Tek Fabrication Co., Ltd. (Samoa) to acquire partial ownership of Top Yes (Suzhou) Precision Industry Co., Ltd., which has been approved by the Investment Committee of the Ministry of Economic Affairs with Letter Jing-Shen-Er-Zi No.11100053870. As of December 31, 2024, the investment amount of RMB 30,000 thousand (approximately US\$ 4,725 thousand ) had been remitted.

On December 27, 2022, the Group's board of directors resolved to increase its investment in Top Yes (Suzhou) Precision Industry Co., Ltd. through sub-subsidiary Global Tek (Wuxi) Co., Ltd. As of December 31, 2022, the Group has remitted the investment amount to RMB6,000 thousand (approximately US\$945 thousand).

In May 2024, Top Yes (Suzhou) Precision Industry Co., Ltd. completed a cash capital increase. The Group's equity percentage increased from 4.11% to 31.21% through its subsidiary, Global Tek (Wuxi) Co., Ltd., and to 22.10% through its subsidiary, Global Tek Fabrication Co., LTD. (Samoa). The Group's final consolidated ownership percentage reached 53.31%, gaining control of the company, and it was included as a part of the Group's consolidated financial statements in May 2024.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(c) Investments in associates

As of June 30, 2025, December 31, 2024 and June 30 2024, the aggregate carrying amount of the Group's interests in AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. all amounted to NT\$0. The aggregate financial information based on the Group's share is as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Profit or loss from continuing operations	\$-	\$2,917	\$-	\$5,105
Other comprehensive income (post-tax)	-	-	-	-
Total comprehensive income (loss)	\$-	\$2,917	\$-	\$5,105

There aforementioned associates had no contingent liabilities or capital commitments and were not under pledge as of June 30, 2025, December 31, 2024 and June 30, 2024.

(d) The Group's investment accounted for under equity method as of June 30, 2025 and 2024 was both NT\$0. For the three-month periods ended June 30, 2025 and 2024 share of investment loss from these associates and joint venture amount to NT\$0 and NT\$2,917 thousand, respectively. For the six-month periods ended June 30, 2025 and 2024 share of investment loss from these associates and joint venture amount to NT\$0 and NT\$5,105 thousand, respectively. They were measured based on the reviewed financial statements of the investee for the same corresponding periods.

(e) Investment accounted for under equity method were no pledged.

(10) Property, plant and equipment

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Owner occupied property, plant and equipment	\$3,918,993	\$3,962,305	\$3,780,414

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(a) Owner occupied property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Other equipment	Lease Improvements	Construction in progress and equipment awaiting examination	Total
Cost:									
As of Jan. 1, 2025	\$1,434,398	\$1,408,410	\$1,604,377	\$23,354	\$27,972	\$389,699	\$63,370	\$236,068	\$5,187,648
Additions	-	579	117,302	3,452	181	22,876	2,660	39,474	186,524
Disposals	-	-	(12,402)	(2,944)	(1,510)	(376)	-	-	(17,232)
Exchange differences	-	(78,138)	(92,770)	(854)	(1,426)	(20,736)	-	(15,144)	(209,068)
Reclassification	-	18,194	41,213	602	1,519	31,986	-	(43,009)	50,505
As of Jun. 30, 2025	<u>\$1,434,398</u>	<u>\$1,349,045</u>	<u>\$1,657,720</u>	<u>\$23,610</u>	<u>\$26,736</u>	<u>\$423,449</u>	<u>\$66,030</u>	<u>\$217,389</u>	<u>\$5,198,377</u>
As of Jan. 1, 2024	\$1,423,160	\$830,710	\$1,334,816	\$19,868	\$23,696	\$311,349	\$61,993	\$90,968	\$4,096,560
Additions	-	2,320	9,705	393	-	7,398	210	24,540	44,566
Acquisitions through business combinations	-	470,804	209,050	2,347	1,146	36,678	-	24,923	744,948
Disposals	-	-	(19,085)	(491)	-	(2,881)	-	-	(22,457)
Exchange differences	-	15,679	21,964	295	340	4,051	-	2,176	44,505
Reclassification	11,238	71,737	36,700	637	-	2,106	-	(71,237)	51,181
As of Jun. 30, 2024	<u>\$1,434,398</u>	<u>\$1,391,250</u>	<u>\$1,593,150</u>	<u>\$23,049</u>	<u>\$25,182</u>	<u>\$358,701</u>	<u>\$62,203</u>	<u>\$71,370</u>	<u>\$4,959,303</u>
Depreciation and impairment:									
As of Jan. 1, 2025	\$3,119	\$142,871	\$798,370	\$12,584	\$17,779	\$227,971	\$22,649	\$-	\$1,225,343
Depreciation	-	21,494	84,307	1,655	1,515	25,906	3,258	-	138,135
Disposals	-	-	(9,679)	(2,728)	(1,434)	(376)	-	-	(14,217)
Exchange differences	-	(6,427)	(49,830)	(550)	(735)	(12,335)	-	-	(69,877)
Reclassification	-	-	(130)	130	-	-	-	-	-
As of Jun. 30, 2025	<u>\$3,119</u>	<u>\$157,938</u>	<u>\$823,038</u>	<u>\$11,091</u>	<u>\$17,125</u>	<u>\$241,166</u>	<u>\$25,907</u>	<u>\$-</u>	<u>\$1,279,384</u>



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

			Machinery and equipment	Office equipment	Transportation equipment	Other equipment	Lease Improvements	Construction in progress and equipment awaiting examination	Total
As of Jan. 1, 2024	\$3,119	\$104,570	\$717,831	\$10,806	\$15,352	\$209,079	\$16,741	\$-	\$1,077,498
Depreciation	-	15,919	63,222	1,014	1,141	17,111	2,915	-	101,322
Disposals	-	-	(11,853)	(512)	-	(2,507)	-	-	(14,872)
Exchange differences	-	346	11,154	163	169	3,109	-	-	14,941
Reclassification	-	-	(126)	141	-	(15)	-	-	-
As of Jun. 30, 2024	\$3,119	\$120,835	\$780,228	\$11,612	\$16,662	\$226,777	\$19,656	\$-	\$1,178,889
Net carrying amount as of:									
Jun. 30, 2025	\$1,431,279	\$1,191,107	\$834,682	\$12,519	\$9,611	\$182,283	\$40,123	\$217,389	\$3,918,993
Dec. 31, 2024	\$1,431,279	\$1,265,539	\$806,007	\$10,770	\$10,193	\$161,728	\$40,721	\$236,068	\$3,962,305
Jun. 30, 2024	\$1,431,279	\$1,270,415	\$812,922	\$11,437	\$8,520	\$131,924	\$42,547	\$71,370	\$3,780,414

(b) Significant components of buildings primarily comprised the main buildings and the facilities, which are depreciated based on their respective useful economic life of 20 to 51 years and 3 to 20 years.

(c) Please refer to Note 8 for more details on property, plant and equipment under pledge.

(d) The land owned by Group located at Nos. 631 and 635, Xinzhou Section, Xinwu District, Taoyuan City, belongs to the general agricultural land that is not urban planning area. According to Article 33 of the Agricultural Development Regulation “Private legal persons shall not be subject to restrictions on agricultural land”, temporarily registered in the name of General Manager, Huang Ya-Hsing, general manager, and handled the setting with the Company as the right holder.

# (11) Investment property

The Group’s investment properties include owned investment properties. The Group has entered into commercial property leases on its owned investment properties with terms of 15 years. These leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

## Global Tek Fabrication Co., Ltd. and subsidiaries

## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Buildings	Land use rights	Total
Cost:			
As of Jan. 1, 2025	\$61,956	\$2,055	\$64,011
Exchange differences	(5,402)	(179)	(5,581)
As of Jun. 30, 2025	<u>\$56,554</u>	<u>\$1,876</u>	<u>\$58,430</u>
As of Jan. 1, 2024	\$59,839	\$1,985	\$61,824
Exchange differences	1,632	54	1,686
As of Jun. 30, 2024	<u>\$61,471</u>	<u>\$2,039</u>	<u>\$63,510</u>
Depreciation and impairment:			
As of Jan. 1, 2025	\$52,932	\$75	\$53,007
Amortization	264	37	301
Exchange differences	(4,633)	(9)	(4,642)
As of Jun. 30, 2025	<u>\$48,563</u>	<u>\$103</u>	<u>\$48,666</u>
As of Jan. 1, 2024	\$50,551	\$-	\$50,551
Amortization	298	37	335
Exchange differences	1,381	-	1,381
As of Jun. 30, 2024	<u>\$52,230</u>	<u>\$37</u>	<u>\$52,267</u>
Net carrying amount as of:			
Jun. 30, 2025	<u>\$7,991</u>	<u>\$1,773</u>	<u>\$9,764</u>
Dec. 31, 2024	<u>\$9,024</u>	<u>\$1,980</u>	<u>\$11,004</u>
Jun. 30, 2024	<u>\$9,241</u>	<u>\$2,002</u>	<u>\$11,243</u>

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Rental income from investment property	\$1,930	\$2,011	\$3,975	\$3,198
Less:				
Direct operating expenses from investment property generating rental income	(146)	(169)	(301)	(335)
Total	<u>\$1,784</u>	<u>\$1,842</u>	<u>\$3,674</u>	<u>\$2,863</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(a) No investment property was pledged.

(b) Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3.

(c) The fair value of investment properties were NT\$78,226 thousand, NT\$78,226 thousand and NT\$78,387 thousand, as of June 30, 2025, December 31, 2024 and June 30, 2024. The fair value has been determined based on valuations performed by an independent valuer. The valuation method used is the cost method.

(12) Intangible assets

	Computer software	Specialized Technology	Other	Goodwill	Total
Cost:					
As of Jan. 1, 2025	\$69,629	\$46,905	\$8,494	\$141,663	\$266,691
Additions – acquired separately	6,170	-	-	-	6,170
Deduction	(1,901)	-	-	-	(1,901)
Other change	11,744	-	-	-	11,744
Exchange differences	(408)	(1,018)	-	1,306	(120)
As of Jun. 30, 2025	\$85,234	\$45,887	\$8,494	\$142,969	\$282,584
As of Jan. 1, 2024	\$50,138	\$-	\$-	\$-	\$50,138
Additions – acquired separately	4,855	-	-	-	4,855
Acquisitions through business combinations	9,451	46,934	8,494	141,626	206,505
Deduction	(560)	-	-	-	(560)
Other change	(164)	-	-	-	(164)
Exchange differences	(16)	(120)	-	154	18
As of Jun. 30, 2024	\$63,704	\$46,814	\$8,494	\$141,780	\$260,792

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## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Computer software	Specialized Technology	Other	Goodwill	Total
Depreciation and impairment:					
As of Jan. 1, 2025	\$43,930	\$3,461	\$8,494	\$95,852	\$151,737
Amortization	4,862	2,579	-	-	7,441
Deduction	(1,901)	-	-	-	(1,901)
Exchange differences	(92)	(153)	-	1,306	1,061
As of Jun. 30, 2025	\$46,799	\$5,887	\$8,494	\$97,158	\$158,338
As of Jan. 1, 2024	\$39,265	\$-	\$-	\$-	\$39,265
Amortization	2,512	862	712	-	4,086
Deduction	(560)	-	-	-	(560)
Other change	(164)	-	-	-	(164)
Exchange differences	32	1	-	-	33
As of Jun. 30, 2024	\$41,085	\$863	\$712	\$-	\$42,660
Carrying amount, net:					
As of Jun. 30, 2025	\$38,435	\$40,000	\$-	\$45,811	\$124,246
As of Dec. 31, 2024	\$25,699	\$43,444	\$-	\$45,811	\$114,954
As of Jun. 30, 2024	\$22,619	\$45,951	\$7,782	\$141,780	\$218,132

- (a) The other intangible assets refer to the expenditures incurred during the development phase by the Group's subsidiaries, where discoveries or knowledge from research are applied to a project or design before the mass production or use of the product. These expenditures are recognized as intangible assets because the technological feasibility of the intangible asset has been achieved, and other criteria for recognizing an intangible asset have also been met.

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(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(b) Amortization of intangible assets is as follows:

Item	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Operating costs	\$393	\$1,050	\$916	\$1,110
Sales and marketing	792	148	1,273	243
General and administrative	3,939	1,823	5,056	2,652
Research and development	95	81	196	81
Total	<u>\$5,219</u>	<u>\$3,102</u>	<u>\$7,441</u>	<u>\$4,086</u>

(13) Other non-current assets

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Refundable deposits	\$16,847	\$17,951	\$14,423
Net defined benefit assets	3,028	2,880	-
Other	-	-	300
Total	<u>\$19,875</u>	<u>\$20,831</u>	<u>\$14,723</u>

(14) Short-term loans

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Secured financial structure loans	\$222,319	\$201,797	\$162,369
Unsecured financial structure loans	609,636	315,465	292,513
Total	<u>\$831,955</u>	<u>\$517,262</u>	<u>\$454,882</u>
Interest Rates (%)	<u>1.75% ~ 3.75%</u>	<u>1.80% ~ 4.95%</u>	<u>1.64% ~ 5.10%</u>

The Group's unused short-term lines of credits amounted to NT\$2,440,632 thousand, NT\$2,452,351 thousand and NT\$1,981,843 thousand as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

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Please refer to Note 8 for more details of assets pledged as collaterals.

(15) Other payables

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Payable of salary and bonuses	\$122,689	\$147,972	\$130,414
Accrued interest	997	868	855
Accrued compensation to employees and directors	7,591	11,444	15,709
Payable on equipment	70,198	26,925	11,186
Payable of processing fees	213,571	206,366	175,652
Other	229,050	236,572	255,107
Total	<u>\$644,096</u>	<u>\$630,147</u>	<u>\$588,923</u>

(16) Bonds payable

A. The details of the bonds payable as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively, is as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Liability component:			
Unsecured domestic convertible bonds	\$41,700	\$46,300	\$400,500
Less: discounts on bonds payable	(1,081)	(1,613)	(14,944)
Subtotal	40,619	44,687	385,556
Less: current portion	-	(100)	(65,316)
Net	<u>\$40,619</u>	<u>\$44,587</u>	<u>\$320,240</u>
Embedded derivative - redemption, put options	<u>\$96</u>	<u>\$203</u>	<u>\$1,105</u>
Equity component - conversion right	<u>\$4,394</u>	<u>\$4,910</u>	<u>\$91,968</u>

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Notes to the Consolidated Financial Statements – (Continued)

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For the details of the gain and loss from valuation through profit and loss on embedded derivative, redemption, put options, and the interest expense on the convertible bonds payable, please refer to Notes 6(25) (c) and (d).

B. On August 27, 2019, the Group issued the 1<sup>st</sup> unsecured domestic convertible bonds. The terms of the bonds are as follows:

(A) Issue amount: NT\$600,000 thousand

(B) Issue date: August 27, 2019

(C) Issue price: Issued at 101% of the par value

(D) Coupon rate: 0%

(E) Period: August 27, 2019 to August 27, 2024

(F) Settlement or Conversion period: (a) From the day following the issuance of corporate bonds for three months (November 28, 2019) to 40 days before the expiration of the issuance period (July 18, 2024), when the agreed conditions are met, Request the redemption of corporate bonds from corporate bond holders according to the par value of the bonds.

(b) For the holders of corporate bonds, from the day following the 3 months after the issuance date of the corporate bonds (November 28, 2019) to the maturity date (August 27, 2024), except for the period stipulated in the conversion method. In addition, the company may at any time request to be converted into the company's common stock at the conversion price at that time. If it is not converted at that time, it will be redeemed at the par amount plus interest compensation when it expires.

(c) Corporate bond holders may request the company to redeem the principal in cash at an interest rate of 101.5075% of the par value of the bond (0.5% annual return yield) within 40 days before the issuance of the corporate bond meets the agreed conditions.

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Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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(d) Holders of corporate bonds may request the company to redeem the principal in cash at 102.015% of the par value of the bonds (0.5% annual return rate) within 40 days before the issuance of the corporate bonds meets the agreed conditions.

(e) The price of the conversion corporate bonds is determined based on August 19, 2019 as the conversion price determination base date, and the simple arithmetic average of the company's common stock closing prices on the five business days prior to the base date (excluding), the base price is NT\$46.55, and then the base price is multiplied by the conversion premium rate of 107.42%, which is the conversion price of the converted corporate bonds (calculated to NT dollars, rounded up to the following points). According to the above method, the conversion price is NT\$50 per share.

The conversion price of the Group's first domestic unsecured conversion corporate bonds is adjusted according to the relevant anti-dilution provisions of the conversion method. The company has adjusted the conversion price from NT\$47.90 to NT\$46.80 since August 5, 2021 (the ex-dividend base date). Since August 5, 2022 (the ex-dividend base date), the conversion price has been adjusted from NT\$46.80 to NT\$45.60. Since May 6, 2023 (the ex-dividend base date), the conversion price has been adjusted from NT\$45.60 to NT\$43.90. Since May 3, 2024 (the ex-dividend base date), the conversion price has been adjusted from NT\$43.90 to NT\$42.70.

C. On January 3, 2022, the Group issued the 2<sup>nd</sup> unsecured domestic convertible bonds. The terms of the bonds are as follows:

(A) Issue amount: NT\$630,000 thousand

(B) Issue date: January 3, 2022

(C) Issue price: Issued at 111.8% of the par value



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(D) Coupon rate: 0%

(E) Period: January 3, 2022 to January 3, 2025

(F) Settlement or Conversion period: (a) The company may, from the day following the issuance of corporate bonds for three months (April 4, 2022) to 40 days before the expiration of the issuance period (November 24, 2024), when the agreed conditions are met, request the redemption of corporate bonds from corporate bond holders according to the par value of the bonds.

(b) For corporate bond holders, from the day following the first three months of the corporate bond issuance date (April 4, 2022) to the maturity date (January 3, 2025), except for the period stipulated in the conversion method. In addition, the company may request to be converted into the company's ordinary shares at any time at the conversion price at that time. If it is not converted at that time, it shall be repaid in cash according to the par value of the bond within five business days after the maturity date.

(c) The price of the conversion corporate bond is determined based on December 13, 2021 as the base date for the determination of the conversion price, which is calculated on the basis of one, three, or five business days before the base date (excluding). The simple arithmetic average of the closing prices of the company's common shares is used as the benchmark price, and then the benchmark price is multiplied by the conversion premium rate of 104.31%, which is the conversion price of the converted corporate bonds (calculated to NT\$, rounded up below). According to the above method, the conversion price is set at NT\$47 per share.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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The conversion price of the second domestic unsecured conversion corporate bond of the company is adjusted according to the relevant anti-dilution provisions of the conversion method. The company adjusted the conversion price from NT\$47.00 to NT\$45.80 starting from August 5, 2022 (the ex-dividend base date). The company adjusted the conversion price from NT\$45.80 to NT\$44.10 starting from May 6, 2023 (the ex-dividend base date). The company adjusted the conversion price from NT\$44.10 to NT\$42.90 starting from May 3, 2024 (the ex-dividend base date).

D. On November 27, 2023, the Group issued the 3<sup>rd</sup> unsecured domestic convertible bonds. The terms of the bonds are as follows:

(A) Issue amount: NT\$800,000 thousand

(B) Issue date: November 27, 2023

(C) Issue price: Issued at 106.15% of the par value

(D) Coupon rate: 0%

(E) Period: November 27, 2023 to November 27, 2026

(F) Settlement or Conversion period: (a) From the day following the issuance of corporate bonds for three months (February 28, 2024) to 40 days before the expiration of the issuance period (October 18, 2026), when the agreed conditions are met, Request the redemption of corporate bonds from corporate bond holders according to the par value of the bonds.

(b) For corporate bond holders, from the day following the first three months of the corporate bond issuance date (February 28, 2024) to the maturity date (November 27, 2026), except for the period stipulated in the conversion method. In addition, the company may request to be converted into the company's ordinary shares at any time at the conversion price at that time. If it is not converted at that time, it shall be repaid in cash according to the par value of the bond within five business days after the maturity date.

(c) The price of the conversion corporate bonds is determined based on November 7, 2023 as the conversion price determination base date, and the simple arithmetic average of the company's common stock closing prices on the three business days prior to the base date (excluding). The base price is NT\$50,032, and then the base price is multiplied by the conversion premium rate of 102.71%, which is the conversion price of the converted corporate bonds (calculated to NT dollars, rounded up to the following points). According to the above method, the conversion price is NT\$52 per share. The conversion price of the third domestic unsecured conversion corporate bond of the company is adjusted according to the relevant anti-dilution provisions of the conversion method. The company adjusted the conversion price from NT\$52 to NT\$50.60 starting from May 3, 2024 (the ex-dividend base date). The company adjusted the conversion price from NT\$50.60 to NT\$49.60 starting from April 25, 2025 (the ex-dividend base date).

E. The 1<sup>st</sup> unsecured convertible bonds in the amount of NT\$51,300 thousand have been converted to 1,195 thousand common shares for the six month periods ended June 30, 2024. The conversion net amount exceeds the par value of converted ordinary shares and is transferred to capital reserve - convertible corporate bonds, with a conversion premium of NT\$39,245 thousand.

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Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The 2<sup>nd</sup> unsecured convertible bonds in the amount of NT\$45,400 thousand have been converted to 1,057 thousand common shares for the six month periods ended June 30, 2024. The conversion net amount exceeds the par value of converted ordinary shares and is transferred to capital reserve - convertible corporate bonds, with a conversion premium of NT\$34,478 thousand.

The 3<sup>rd</sup> unsecured convertible bonds in the amount of NT\$4,500 thousand have been converted to 89 thousand common shares for the six month periods ended June 30, 2025. The conversion net amount exceeds the par value of converted ordinary shares and is transferred to capital reserve - convertible corporate bonds, with a conversion premium of NT\$3,569 thousand. The unsecured convertible bonds in the amount of NT\$465,100 thousand have been converted to 9,192 thousand common shares for the six month periods ended June 30, 2024. The conversion net amount exceeds the par value of converted ordinary shares and is transferred to capital reserve - convertible corporate bonds, with a conversion premium of NT\$352,807 thousand.

(17) Long-term loans

The details of long-term loan as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively, are as follows:

Debtor	Type of Loan	Loan period	As of Jun. 30, 2025	Repayment
Bank of Taiwan	Secured loan	2025.01.15- 2026.10.20	\$236,000	The principal and interest will be amortized monthly.
Land Bank of Taiwan	Secured loan	2022.03.28- 2027.03.28	850,000	Interest is paid monthly, and the principal is paid at maturity.
Bank of Taiwan	Secured loan	2023.02.15- 2028.02.15	170,667	The principal and interest will be amortized monthly.
Bank of Taiwan	Secured loan	2023.02.15- 2028.02.15	66,667	The principal and interest will be amortized monthly.
The Shanghai Commercial & Savings Bank, Ltd.	Secured loan	2025.04.23- 2032.04.23	30,000	The principal and interest will be amortized monthly.

## Global Tek Fabrication Co., Ltd. and subsidiaries

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(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Debtor	Type of Loan	Loan period	As of Jun. 30, 2025	Repayment
Land Bank of Taiwan- Joint credit loan	Secured loan (Note 1)	2024.11.01- 2027.10.31	487,500	The principal and interest will be amortized monthly.
China Zheshang Bank Co., Ltd	Secured loan	2022.08.24- 2025.08.23	101,190	Interest is paid monthly, and the principal is repaid every six months.
China Zheshang Bank Co., Ltd	Secured loan	2022.08.26- 2025.08.26	58,261	Interest is paid monthly, and the principal is repaid every six months.
Total			2,000,285	
Less: current portion			(308,452)	
Non-current portion			\$1,691,833	

Debtor	Type of Loan	Loan period	As of Dec. 31, 2024	Repayment
Bank of Taiwan	Secured loan	2021.10.20- 2026.10.20	\$248,000	The principal and interest will be amortized monthly.
Land Bank of Taiwan	Secured loan	2022.03.28- 2027.03.28	870,000	Interest is paid monthly, and the principal is paid at maturity.
Bank of Taiwan	Secured loan	2023.02.15- 2028.02.15	202,667	The principal and interest will be amortized monthly.
Bank of Taiwan	Secured loan	2024.02.15- 2028.02.15	79,167	The principal and interest will be amortized monthly.
Bank SinoPac	Secured loan (Note 1)	2024.11.01- 2027.10.31	505,500	The principal and interest will be amortized monthly.
Business Bank of Taiwan	Secured loan (Note 2)	2023.03.20- 2028.03.20	9,750	The principal and interest will be amortized monthly.
Business Bank of Taiwan	Secured loan (Note 2)	2021.04.07- 2026.04.07	5,581	The principal and interest will be amortized monthly.
Hua Nan Bank	Credit loan	2020.07.08- 2025.06.15	20,245	Interest is paid monthly, and the principal is paid at maturity.

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## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Debtor	Type of Loan	Loan period	As of Dec.	Repayment
			31, 2024	
China Zheshang Bank Co., Ltd	Secured loan	2022.08.24-2025.08.23	118,246	Interest is paid monthly, and the principal is repaid every six months.
China Zheshang Bank Co., Ltd	Secured loan	2022.08.26-2025.08.26	68,081	Interest is paid monthly, and the principal is repaid every six months.
Total			2,127,237	
Less: current portion			(452,758)	
Non-current portion			<u>\$1,674,479</u>	

  

Debtor	Type of Loan	Loan period	As of Jun.	Repayment
			30, 2024	
Bank of Taiwan	Secured loan	2021.10.20-2026.10.20	\$260,000	The principal and interest will be amortized monthly.
Land Bank of Taiwan	Secured loan	2022.03.28-2027.03.28	870,000	Interest is paid monthly, and the principal is paid at maturity.
Bank of Taiwan	Secured loan	2023.02.15-2027.02.15	234,667	The principal and interest will be amortized monthly.
Yuanta Commercial Bank Co., Ltd	Credit loan	2024.03.27-2024.09.26	50,000	Interest is paid monthly, and the principal is paid at maturity.
Bank of Taiwan	Secured loan	2024.02.15-2028.02.15	91,667	The principal and interest will be amortized monthly.
Land Bank of Taiwan- Joint credit loan	Secured loan (Note 1)	2018.11.28-2026.11.28	526,500	Interest is paid monthly, and the principal is repaid in 36 installments, with each installment covering a three-month period.
Business Bank of Taiwan	Secured loan (Note 2)	2023.03.20-2028.03.20	11,250	The principal and interest will be amortized monthly.
Business Bank of Taiwan	Secured loan (Note 2)	2021.04.07-2026.04.07	7,906	The principal and interest will be amortized monthly.

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(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Debtor	Type of Loan	Loan period	As of Jun. 30, 2024	Repayment
Hua Nan Bank	Credit loan	2020.07.08- 2025.06.15	40,490	Interest is paid monthly, and the principal is paid at maturity.
China Zheshang Bank Co., Ltd	Secured loan	2022.08.24- 2025.08.23	125,213	Interest is paid monthly, and the principal is repaid every six months.
China Zheshang Bank Co., Ltd	Secured loan	2022.08.26- 2025.08.26	71,770	Interest is paid monthly, and the principal is repaid every six months.
Total			2,289,463	
Less: current portion			(334,576)	
Non-current portion			<u>\$1,954,887</u>	

Note 1: The collateral for the aforementioned syndicated loan includes real estate, plant, and equipment, and it is jointly guaranteed by the Small and Medium Enterprise Credit Guarantee Fund and the responsible person of AvioCast Inc.

Note 2 : The aforementioned secured loan is guaranteed by a reserve account and the Small and Medium Enterprise Credit Guarantee Fund, with a joint guarantee provided by the responsible person of AvioCast Inc.

(a) In August 2012, the Group's subsidiary, AvioCast Inc., signed a syndicated loan agreement with Taiwan Land Bank and seven other financial institutions to secure a loan of NT\$572,000 thousand. The loan was intended to bolster working capital and support capital expenditures, with a credit period of 5 to 7 years and a floating interest rate. In March 2014, the subsidiary AvioCast Inc. repaid the aforementioned syndicated loan early and signed a new syndicated loan agreement with Taiwan Land Bank and nine other financial institutions for a loan amount of NT\$850,000 thousand. The credit period was set at 5 to 7 years, with a floating interest rate. In November 2017, the subsidiary AvioCast Inc. repaid the aforementioned syndicated loan early and signed a new syndicated loan agreement with Taiwan Land Bank and eight other financial institutions for a loan amount of NT\$1,000,000 thousand. The credit period was set at 5 to 7 years, with a floating interest rate.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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According to the terms of the syndicated loan agreement, during the contract's validity period, the subsidiary AvioCast Inc. is committed to adhering to the following specific financial ratios at the end of each fiscal year:

1. The current ratio must be at 100% or above.
2. Debt ratio: For 2017, it must not exceed 450%; For 2018 to 2019, it must not exceed 400%; For 2020, it must not exceed 350%.
3. Interest coverage ratio: For 2017, it must be at 2.5 times or above; For 2018, it must be at 3 times or above.
4. Total shareholders' equity must not be less than NT\$120,000 thousand.

In December 2021, the subsidiary AvioCast Inc. signed a second supplementary agreement. Under this agreement, the repayment of the principal was extended by one year, from November 28, 2021, to November 27, 2022. The extended principal will be repaid in a lump sum along with the principal due in the twenty-fifth installment. Additionally, as part of the specific commitments and agreements, the syndicate of lending banks has resolved to waive the review of the financial commitments for the year 2021 as stipulated in the aforementioned commitments.

In November 2022, the subsidiary AvioCast Inc. signed a third supplementary agreement, as part of the specific commitments and agreements, the syndicate of lending banks has resolved to waive the review of the financial commitments for the year 2022 as stipulated in the aforementioned commitments.

In May 2024, the subsidiary AvioCast Inc. signed a fourth supplementary agreement, as part of the specific commitments and agreements, the syndicate of lending banks has resolved to waive the review of the financial commitments for the year 2023 as stipulated in the aforementioned commitments. Additionally, the syndicate of lending banks agreed to extend the original credit period from 7 years to 9 years.

(b) Please refer to Note 8 for more detail of assets pledged as collaterals.

(c) As of June 30, 2025, December 31, 2024 and June 30, 2024, the interest rate intervals for long-term loans were all between 1.48% ~4.90%.



Global Tek Fabrication Co., Ltd. and subsidiaries

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(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(18) Other non-current liabilities

(a) Details of other non-current liabilities were as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Net defined benefit liability	\$61	\$197	\$507
Guarantee deposits	6,617	7,543	7,554
Deferred revenue	3,784	4,756	5,324
Total	<u>\$10,462</u>	<u>\$12,496</u>	<u>\$13,385</u>

(b) The details of the deferred government grants income for the six-month periods ended June 30, 2025 and 2024 are as follows:

	For the six-month periods ended June 30,	
	2025	2024
Beginning balance	\$4,756	\$5,776
Released to the statement of comprehensive income	(598)	(606)
Exchange differences	(374)	154
Ending balance	<u>\$3,784</u>	<u>\$5,324</u>

The Group received government grants for the purchase of property, plant and equipment for specific projects. The recognized government grants have no unfulfilled conditions and other contingencies.

(19) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the three-month periods ended June 30, 2025 and 2024 were NT\$5,079 thousand and NT\$8,333 thousand, respectively, while for the six-month periods ended June 30, 2025 and 2024 were NT\$10,010 thousand and NT\$16,487 thousand, respectively.

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Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Defined benefits plan

Expenses under the defined benefits plan for the three-month periods ended June 30, 2025 and 2024 were both NT\$8 thousand, while for the six-month periods ended June 30, 2025 and 2024 were both NT\$16 thousand.

(20) Equities

(a) Common stock

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Company's authorized capital were NT\$1,500,000 thousand, each share at par value of NT\$10. The Company's paid-in capital were NT\$1,098,097 thousand, NT\$1,097,208 thousand, and NT\$1,024,853 thousand, respectively, divided into 109,810 thousand shares, 109,721 thousand shares and 102,485 thousand shares, respectively. Each share has one voting right and a right to receive dividends.

For the six month periods ended June 30, 2024, the 1st unsecured convertible bonds in amount of NT\$51,300 thousand, were converted into 1,195 thousand shares.

For the six month periods ended June 30, 2024, the 2nd unsecured convertible bonds in amount of NT\$45,400 thousand, were converted into 1,057 thousand shares.

For the six month periods ended June 30, 2025 and 2024, the 3rd unsecured convertible bonds in amount of NT\$4,500 thousand and NT\$465,100 thousand, respectively were converted into 89 thousand shares and 9,192 thousand shares.

(b) Capital surplus

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Additional paid-in capital	\$2,803,332	\$2,799,247	\$2,442,465
Employee stock option	1,322	1,322	1,322
Components of convertible corporate bonds	4,394	4,910	91,968
Total	<u>\$2,809,048</u>	<u>\$2,805,479</u>	<u>\$2,535,755</u>

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the Company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made either in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them. Capital surplus related to long-term equity investments cannot be used for any purpose.

(c) Retained earnings and dividend policies

(1) Retained earnings

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- i. Payment of all taxes and dues;
- ii. Offset prior years' operation losses;
- iii. Set aside 10% of the remaining amount as legal reserve. There is no requirement to further make such reserve when legal reserve reaches the capital amount.
- iv. Set aside or reverse special reserve in accordance with law and regulations; and
- v. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

If the Company's dividends are distributed to shareholders, surplus reserve and capital reserve paid in cash, the Board of Directors have been authorized to approve by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and report to the shareholders' meeting.

(2) Dividend policies

The Company's life cycle is currently at the growing stage. The Company's dividend policy shall be determined pursuant to the factors, such as financial structure, operating conditions, and capital budgets. The distribution of shareholders' dividend shall be not lower than 10% of the distributable current-year earnings. However, the shareholders may resolve not to distribute dividends if the accumulated earnings were lower than 1% of the paid-in capital. The dividend can be distributed by cash not be less than 10% of total dividends and be adjusted by the actual situation of the company.

(3) Legal reserve

According to Taiwan's Company Act, the Company needs to set aside an amount as legal reserve unless where such legal reserve amounts to the amount of total paid-in capital. The legal reserve can be used to make good the deficit. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital by issuing new shares or by cash held by each of the shareholders.

(4) Special reserve

The FSC issued Order No. Jin-Guan-Cheng-Fa-Zi-1090150022 on March 31, 2021, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the company can reverse the special reserve by proportion of the special reserve first appropriated and distribute it.

The Company did not incur any special reserve upon the first-time adoption of T-IFRS.

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Notes to the Consolidated Financial Statements – (Continued)

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(5)The appropriations of earnings for 2024 and 2023 were approved through the shareholders' meetings held June 19, 2025 and June 27, 2024, respectively. The details of the distributions are as follows:

	Appropriation of earnings		Dividend per share (in NT\$)	
	2024	2023	2024	2023
Legal reserve	\$20,688	\$25,481		
Appropriation (reversal) of special reserve	(70,252)	24,650		
Common Stock-Cash dividend (Note 1)	165,000	131,000	\$1.50	\$1.44
Total	<u>\$115,436</u>	<u>\$181,131</u>		

Note1: The number of shares calculated for shareholder dividends amounted to 109,754 thousand shares and 91,137 thousand shares as of February 28, 2025 and March 8, 2024, respectively (after deducting treasury shares).

Please refer to Note 6(24) for details on employees' compensation and remuneration to directors.

(d)Non-controlling interests

	For the six-month periods ended June 30,	
	2025	2024
Beginning balance	\$98,255	\$-
Profit (loss) attributable to non-controlling interests	(19,868)	(9,281)
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Exchange differences arising on translating of a foreign operation	(24)	(768)
Cash capital increase	-	605
Others — changes in consolidated entities	-	162,355
Total	<u>\$78,363</u>	<u>\$152,911</u>

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(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(21) Operating revenue

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Revenue from contracts with customer				
Sale of goods	\$1,229,031	\$1,255,259	\$2,476,697	\$2,305,289
Other operating revenue	9,205	4,725	13,888	9,383
Total	<u>\$1,238,236</u>	<u>\$1,259,984</u>	<u>\$2,490,585</u>	<u>\$2,314,672</u>

Analysis of revenue from contracts with customers for the six-month periods ended June 30, 2025 and 2024 are as follows:

(a) Disaggregation of revenue

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Sale of goods	\$1,229,031	\$1,255,259	\$2,476,697	\$2,305,289
Other	9,205	4,725	13,888	9,383
Total	<u>\$1,238,236</u>	<u>\$1,259,984</u>	<u>\$2,490,585</u>	<u>\$2,314,672</u>

The timing for revenue recognition:

At a point in time	<u>\$1,238,236</u>	<u>\$1,259,984</u>	<u>\$2,490,585</u>	<u>\$2,314,672</u>
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For the analysis of each major product, please refer to Note 14 "Segment Information".

(b) Contract balances

A. Contract liabilities

	As of			
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024	Dec. 31, 2023
Sales of goods	<u>\$29,798</u>	<u>\$46,010</u>	<u>\$42,251</u>	<u>\$14,022</u>

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Analysis of contract liabilities for the six-month periods ended June 30, 2025 are as follows:

	<u>Sales of goods</u>
The opening balance transferred to revenue	\$(24,302)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	8,090

Analysis of contract liabilities for the six-month periods ended June 30, 2024 are as follows:

	<u>Sales of goods</u>
The opening balance transferred to revenue	\$(5,680)
Business combinations	15,601
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	18,308

(22) Expected credit (losses) gains

	<u>For the three-month periods ended June 30,</u>		<u>For the six-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating expenses – Expected credit (losses) gains				
Account receivables	<u>\$511</u>	<u>\$(2,565)</u>	<u>\$(2,298)</u>	<u>\$(4,191)</u>

Please refer to Note 12 for more details on credit risk.

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The Group measures the loss allowance of its accounts receivable (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of June 30, 2025, December 31, 2024 and June 30, 2024, respectively, are as follows:

(a) The Group considers the grouping of account receivables by counter-parties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix, details are as follows:

As of Jun. 30, 2025

	Not due (Note)	Overdue				Total
		Less than 60 days	61-120 days	121-180 days	More than 181 days	
Gross carrying amount	\$1,429,221	\$71,489	\$2,286	\$6,368	\$127,069	\$1,636,433
Loss ratio	0.00%~0.78%	0.147%~9.58%	0.906%~43.36%	4.066%~60.74%	51.807%~100%	
Lifetime expected credit losses	(9,322)	(1,964)	(292)	(3,654)	(123,875)	(139,107)
Carrying amount of accounts receivables	\$1,419,899	\$69,525	\$1,994	\$2,714	\$3,194	\$1,497,326

As of Dec. 31, 2024

	Not due (Note)	Overdue				Total
		Less than 60 days	61-120 days	121-180 days	More than 181 days	
Gross carrying amount	\$1,556,009	\$121,641	\$13,091	\$4,801	\$138,755	\$1,834,297
Loss ratio	0.011%~1.00%	0.147%~5.27%	0.906%~14.86%	4.066%~40.79%	39.55%~100%	
Lifetime expected credit losses	(3,302)	(3,565)	(3,353)	(2,123)	(137,597)	(149,940)
Carrying amount of accounts receivables	\$1,552,707	\$118,076	\$9,738	\$2,678	\$1,158	\$1,684,357



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Notes to the Consolidated Financial Statements – (Continued)

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As of Jun. 30, 2024

	Overdue					Total
	Not due (Note)	Less than 60 days	61-120 days	121-180 days	More than 181 days	
Gross carrying amount	\$1,634,215	\$90,693	\$1,193	\$710	\$129,372	\$1,856,183
Loss ratio	0.01%~0.40%	0.55%~2.75%	3.29%~18.28%	35.89%~39.54%	56.55%~100%	
Lifetime expected credit losses	(6,756)	(5,784)	(176)	(230)	(123,067)	(136,013)
Carrying amount of accounts receivables	\$1,627,459	\$84,909	\$1,017	\$480	\$6,305	\$1,720,170

Note: The Group's note receivables were not overdue.

(b)The movement in the provision for impairment of notes receivables and accounts receivables for the six-month periods ended June 30, 2025 and 2024 are as follows:

	Notes receivables	Accounts receivables	Other receivables
As of Jan. 1, 2025	\$-	\$149,940	\$3,757
Addition (reversal) for the current period	-	2,298	-
Exchange differences	-	(13,131)	19
As of Jun. 30, 2025	\$-	\$139,107	\$3,776
As of Jan. 1, 2024	\$-	\$7,831	\$-
Addition (reversal) for the current period	-	4,191	-
Acquisitions through business combinations	-	125,090	-
Exchange differences	-	(1,099)	-
As of Jun. 30, 2024	\$-	\$136,013	\$-

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(23) Leases

(a) Group as a lessee

The Group leases various properties, including real estate such as land and buildings, transportation equipment, office equipment and other equipment. The lease terms range from 1 to 39 years. The Group is not allowed to loan, sublease or sell without obtaining the consent from the lessors.

The Group's leases effect on the financial position, financial performance and cash flows are as follows:

A. Amounts recognized in the balance sheet

(i) Right-of-use assets

The carrying amount of right-of-use assets

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Land	\$561,039	\$585,182	\$158,323
Buildings	84,930	89,733	96,064
Machinery equipment	1,145	1,368	502
Transportation equipment	8,873	10,217	10,849
Office equipment	163	117	202
Total	<u>\$656,150</u>	<u>\$686,617</u>	<u>\$265,940</u>

The Group's right-of-use assets increased by NT\$2,946 thousand and NT\$7 thousand for the six-month periods ended June 30, 2025 and 2024, respectively.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(ii) Lease liabilities

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Lease liabilities	\$590,009	\$600,647	\$168,791
Current	\$26,876	\$26,475	\$39,017
Non-current	563,133	574,172	129,774
Total	\$590,009	\$600,647	\$168,791

Please refer to Note 6(25) (d) for the interest on lease liabilities recognized for the three -month and six-month periods ended June 30, 2025 and 2024, and refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as at June 30, 2025, December 31, 2024, and June 30, 2024.

B. Amounts recognized in the income statement

Depreciation of right-of-use assets

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Land	\$8,039	\$4,311	\$16,041	\$5,050
Buildings	3,165	3,165	6,331	6,331
Machinery equipment	73	19	149	19
Transportation equipment	1,263	1,578	2,640	3,217
Office equipment	24	33	66	76
Other equipment	-	-	-	120
Total	\$12,564	\$9,106	\$25,227	\$14,813

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

C. Income and costs relating to leasing activities

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
The expense relating to leases of low-value assets (Not including the expense relating to short-term leases of low-value assets)	<u>\$(2,108)</u>	<u>\$(1,103)</u>	<u>\$(4,198)</u>	<u>\$(2,023)</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, the portfolio of short-term leases of the Group to which it is committed at the end of the reporting period is dissimilar to the portfolio of short-term leases to which the short-term lease expense disclosed above and the amount of its lease commitments is NT\$0.

D. Cash outflow relating to leasing activities

During the six-month periods ended June 30, 2025 and 2024, the Group's total cash outflow for leases amounted to NT\$26,057 thousand and NT\$15,881 thousand, respectively.

(b) Group as a lessor

The Group has entered leases on plants. These leases have terms of between one and two years. These leases are classified as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Lease income for operating leases				
Income relating to fixed lease payments	\$12,217	\$13,234	\$25,199	\$18,924
Finance lease income recognized				
Finance income on the net investment in the lease	130	738	493	1,595
Total	<u>\$12,347</u>	<u>\$13,972</u>	<u>\$25,692</u>	<u>\$20,519</u>

For operating leases entered by the Group, the undiscounted lease payments to be received and a total of the amounts for the remaining years as of June 30, 2025, December 31, 2024 and June 30, 2024 are as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Less than one year	\$35,544	\$26,179	\$25,712
More than one year but less than five years	123,146	142,424	127,940
Total	<u>\$158,690</u>	<u>\$168,603</u>	<u>\$153,652</u>

## Global Tek Fabrication Co., Ltd. and subsidiaries

## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group enters into a financial lease agreement, and the undiscounted lease payment and the total amount for the remaining years will be received as of June 30, 2025, December 31, 2024 and June 30, 2024 are as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Undiscounted lease payments			
Year 1	\$14,446	\$30,852	\$32,442
Year 2	1,895	15,812	27,064
Year 3	316	967	5,050
Year 4	-	-	316
Total undiscounted lease payments	16,657	47,631	64,872
Less: lease payment unearned revenue	(127)	(991)	(2,072)
Net investment in the lease (Finance lease receivables)	\$16,530	\$46,640	\$62,800
Current	\$14,348	\$30,026	\$30,746
Non-current	2,182	16,614	32,054
Total	\$16,530	\$46,640	\$62,800

(24) Summary of employee benefits, depreciation and amortization by function is as follows:

Function Nature	For the three-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefits						
Salaries and wages	\$125,205	\$92,062	\$217,267	\$76,476	\$97,842	\$174,318
Labor and health insurance	10,025	10,434	20,459	6,974	8,515	15,489
Pension	2,631	2,456	5,087	4,034	4,307	8,341
Other employee benefits expense	11,112	6,189	17,301	4,176	4,129	8,305
Depreciation	66,842	18,453	85,295	51,755	14,429	66,184
Amortization	393	4,826	5,219	1,050	2,052	3,102

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Function Nature	For the six-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefits						
Salaries and wages	\$249,710	\$204,648	\$454,358	\$139,886	\$183,383	\$323,269
Labor and health insurance	19,742	21,769	41,511	13,559	16,627	30,186
Pension	5,158	4,868	10,026	7,861	8,642	16,503
Other employee benefits expense	22,765	16,316	39,081	7,848	10,971	18,819
Depreciation	120,122	43,541	163,663	88,129	28,341	116,470
Amortization	916	6,525	7,441	1,110	2,976	4,086

According to the amended Articles of Incorporation approved through the shareholders' meeting held on June 19, 2025, between 1% to 10% of profit (referring to profit before tax less employee compensation and director remuneration) of the current year, if any, shall be allocated as employees' compensation, of which 25% shall be distributed to non-managerial employees, and no more than 2% profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall first have been covered.

The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company incurred a loss for the six-month periods ended June 30, 2025, therefore no provisions for employee compensation and director remuneration were made.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Based on profit, the Company estimated 2% of the employees' compensation and 1% of remuneration to directors for the three-month periods ended June 30, 2024 amounted to NT\$2,316 thousand and NT\$1,158 thousand, respectively. The employees' compensation and remuneration to directors for the six-month periods ended June 30, 2024 amounted to NT\$5,343 thousand and NT\$2,672 thousand, respectively. The employees' compensation and remuneration to directors were recognized as salary expenses.

The Company's Board of Directors' meeting has determined the employees' compensation and directors' remuneration, all in cash, to be NT\$5,899 thousand and NT\$2,950 thousand, respectively for the year ended December 31, 2024 in a meeting held on March 13, 2025. No differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended December 31, 2024.

The Company's Board of Directors' meeting has determined the employees' compensation and directors' remuneration, all in cash, to be NT\$5,690 thousand and NT\$2,845 thousand, respectively for the year ended December 31, 2023, in a meeting held on March 14, 2024. No differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended December 31, 2023.

(25) Non-operating incomes and expenses

(a) Interest income

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Interest income				
Financial assets measured at amortized cost	\$9,447	\$19,603	\$20,818	\$37,428
Related party lending	-	50	-	233
Other	143	667	535	1,553
Total	<u>\$9,590</u>	<u>\$20,320</u>	<u>\$21,353</u>	<u>\$39,214</u>



## Global Tek Fabrication Co., Ltd. and subsidiaries

## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

## (b) Other income

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Rental income	\$12,217	\$13,234	\$25,199	\$18,924
Others	16,474	13,368	30,712	27,602
Total	<u>\$28,691</u>	<u>\$26,602</u>	<u>\$55,911</u>	<u>\$46,526</u>

## (c) Other gains and losses

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Losses on disposal of property, plant and equipment	\$(572)	\$(386)	\$(370)	\$(489)
Gains on disposal of investments	-	11,572	-	11,572
Foreign exchange (losses) gains, net	(186,368)	33,559	(150,141)	113,630
Gains (losses) on financial assets at fair value through profit or loss	(95)	276	(144)	30
Others	<u>(12,970)</u>	<u>(3,628)</u>	<u>(20,992)</u>	<u>(6,787)</u>
Total	<u>\$(200,005)</u>	<u>\$41,393</u>	<u>\$(171,647)</u>	<u>\$117,956</u>

## (d) Finance costs

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Interest on borrowings from bank	\$15,959	\$16,167	\$31,900	\$25,980
Interests on convertible bonds	188	3,944	390	7,895
Interests on lease liabilities	<u>4,163</u>	<u>540</u>	<u>8,355</u>	<u>886</u>
Total	<u>\$20,310</u>	<u>\$20,651</u>	<u>\$40,645</u>	<u>\$34,761</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(26) Components of other comprehensive income

For the three-month periods ended June 30, 2025:

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to components of other comprehensive income	Other comprehensive income, net of tax
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of foreign operations	\$(295,094)	\$-	\$-	\$1,387	\$(293,707)

For the three-month periods ended June 30, 2024:

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	\$199	\$-	\$199	\$(40)	\$159
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of foreign operations	14,347	-	14,347	(3,003)	11,344
Total of other comprehensive income	\$14,546	\$-	\$14,546	\$(3,043)	\$11,503

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

For the six-month periods ended June 30, 2025:

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to components of other comprehensive income	Other comprehensive income, net of tax
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of foreign operations	<u>\$(238,368)</u>	<u>\$-</u>	<u>\$-</u>	<u>\$(9,894)</u>	<u>\$(248,262)</u>

For the six-month periods ended June 30, 2024:

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Not be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	<u>\$(51)</u>	<u>\$-</u>	<u>\$(51)</u>	<u>\$10</u>	<u>\$(41)</u>
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of foreign operations	<u>57,618</u>	<u>-</u>	<u>57,618</u>	<u>(11,638)</u>	<u>45,980</u>
Total of other comprehensive income	<u>\$57,567</u>	<u>\$-</u>	<u>\$57,567</u>	<u>\$(11,628)</u>	<u>\$45,939</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(27) Income tax

(a) The major components of income tax expense (income) are as follows:

Income tax expense (income) recognized in profit or loss

	<u>For the three-month periods ended June 30,</u>		<u>For the six-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current income tax expense (income):				
Current income tax charge	\$9,390	\$19,040	\$22,505	\$38,735
Adjustments in respect of current income tax of prior periods	8,800	(568)	8,495	(549)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	(28,690)	6,147	(20,026)	16,703
Total income tax expense	<u>\$(10,500)</u>	<u>\$24,619</u>	<u>\$10,974</u>	<u>\$54,889</u>

Income tax relating to components of other comprehensive income

	<u>For the three-month periods ended June 30,</u>		<u>For the six-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Deferred tax expense (income):				
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	\$-	\$40	\$-	\$(10)
Exchange differences arising on translation of foreign operations	(1,387)	3,003	9,894	11,638
Total	<u>\$(1,387)</u>	<u>\$3,043</u>	<u>\$9,894</u>	<u>\$11,628</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(b) The assessment of income tax return

As of June 30, 2025, the status of tax authority's assessment of the income tax returns of the Company and its subsidiaries were as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2023
Subsidiary- Global Tek Co., Ltd.	Assessed and approved up to 2022
Subsidiary- AvioCast Inc.	Assessed and approved up to 2023

(28) Earnings per share

Basic earnings per share are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting any influences) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

(a) Basic earnings per share

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Profit (loss) attributable to ordinary equity holders of the Company (in thousand NT\$)	<u>\$(108,242)</u>	<u>\$105,192</u>	<u>\$(20,369)</u>	<u>\$239,511</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	<u>109,810</u>	<u>91,676</u>	<u>109,786</u>	<u>91,393</u>
Basic earnings (loss) per share (NT\$)	<u>\$(0.99)</u>	<u>\$1.15</u>	<u>\$(0.19)</u>	<u>\$2.62</u>

## Global Tek Fabrication Co., Ltd. and subsidiaries

## Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

## (b) Diluted earnings per shares

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Profit (loss) attributable to ordinary equity holders of the Company (in thousand NT\$)	\$(108,242)	\$105,192	\$(20,369)	\$239,511
Gain or loss on valuation of redemption from convertible bonds	(Note)	(213)	(Note)	(25)
Interest expense from convertible bonds	(Note)	3,154	(Note)	6,315
Profit (loss) attributable to ordinary equity holders of the Company after dilution (in thousand NT\$)	<u>\$(108,242)</u>	<u>\$108,133</u>	<u>\$(20,369)</u>	<u>\$245,801</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	109,810	91,676	109,786	91,393
Effect of dilution:				
Employee bonus — stock (in thousand shares)	(Note)	24	(Note)	99
Convertible bonds (in thousand shares)	(Note)	18,960	(Note)	19,342
Weighted average number of ordinary shares outstanding after dilution (in thousand shares)	<u>109,810</u>	<u>110,660</u>	<u>109,786</u>	<u>110,834</u>
Diluted earnings (loss) per share (in NT\$)	<u>\$(0.99)</u>	<u>\$0.98</u>	<u>\$(0.19)</u>	<u>\$2.22</u>

Note: The calculation of earnings per share for potential common stock has an anti-dilutive effect; therefore, it has not been included.

No other transactions that would significantly change the outstanding common stocks or potential common stocks incurred during the period subsequent to reporting date and up to the approval date of financial statements.

(29) Business combination

Acquisition of AvioCast Inc.

To continue the vertical integration of its production supply chain and deepen its aerospace product line, the Group's Board of Directors resolved on March 14, 2024, to purchase 319 thousand shares from AvioCast Inc.'s shareholders, increasing its share interest from 49.03% to 50.23%. The Group gained control and included AvioCast Inc. as part of its consolidated financial statements in April 2024.

The Group has elected to measure the non-controlling interests in AvioCast Inc. based on the proportionate share of the acquiree's identifiable net assets.

The assets and liabilities of AvioCast Inc. as of the acquisition date are as follows:

	<u>Fair value as at the date of acquisition</u>
Assets	
Cash and cash equivalents	\$66,513
Financial assets measured at amortized cost	997
Account receivables	118,679
Other receivables	1,505
Inventories	138,202
Prepayments	37,944
Other current assets	146
Property, plant and equipment	457,261
Right-of-use asset	55,619
Intangible assets	48,425
Deferred tax assets	43,639
Prepayment for equipment	913
Other non-current assets	<u>4,823</u>
Total	<u>974,666</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Fair value as at the date of acquisition
Liabilities	
Short-term loans	\$35,000
Contract liabilities	11,191
Note payables	16,348
Accounts payables	32,375
Other payables	22,691
Lease liabilities	57,328
Other current liabilities	1,394
Long-term loans	608,860
Deferred tax liabilities	12,679
Total	797,866
Total net assets	\$176,800

The amount of goodwill for AvioCast Inc. is as follows:

Purchase consideration – cash	\$3,190
Add: Fair value of equity held prior to acquisition date	131,428
Add: Non-controlling interests	87,993
Less: Provisional fair value of identifiable net assets	(176,800)
Goodwill	\$45,811

Cash consideration

Cash flow on acquisition	
Net cash acquired with the subsidiary	\$66,513
Cash paid	(3,190)
Net cash inflow	\$63,323

The Group had sought an independent appraisal of the assets held by AvioCast Inc. and the purchase price allocation was completed during the second quarter of 2025. According to the purchase price allocation result, the fair value on the acquisition date amounted to NT\$176,800 thousand, an increase of NT\$50,715 thousand compared to the provisional fair value.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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The comparative information as of June 30, 2024, had been retrospectively adjusted to reflect the aforementioned differences. The adjusted amounts are as follows:

Increase in property, plan and equipment	\$27,401
Increase in intangible assets excluding goodwill	34,637
Decrease in retained earnings	89
Increase in non-controlling interests	(24,700)
Decrease in goodwill	(25,017)
Increase in deferred tax liabilities	(12,410)
Increase in operating costs	(399)
Increase in general and administrative	(1,342)
Decrease in other gains and losses	(14)
Decrease in finance costs	385
Decrease in income tax expense	268

The comparative information as of December 31, 2024, had been retrospectively adjusted to reflect the aforementioned differences. The adjusted amounts are as follows:

Increase in property, plan and equipment	\$21,917
Increase in intangible assets excluding goodwill	32,876
Decrease in retained earnings	3,491
Increase in non-controlling interests	(21,851)
Decrease in goodwill	(25,474)
Increase in deferred tax liabilities	(10,959)
Increase in operating costs	(399)
Increase in general and administrative	(5,147)
Decrease in other gains and losses	(3,439)
Decrease in finance costs	385
Decrease in income tax expense	1,720

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Acquisition of Top Yes (Suzhou) Precision Industry Co., Ltd

Considering the Group's operational development plans and to strengthen strategic partnerships, the Group participated in the cash capital increase of Top Yes (Suzhou) Precision Industry Co., Ltd. The company completed its cash capital increase in May 2024. As a result, the Group, through its subsidiary Global Tek (Wuxi) Co., Ltd., increased its ownership percentage from 4.11% to 31.21%, and its subsidiary Global Tek Fabrication Co., Ltd. (Samoa) holds 22.10% stake. In May 2024, the Group obtained control and included Top Yes (Suzhou) Precision Industry Co., Ltd. as part of its consolidated financial statements.

The Group has elected to measure the non-controlling interests in Top Yes (Suzhou) Precision Industry Co., Ltd. at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The assets and liabilities of Top Yes (Suzhou) Precision Industry Co., Ltd. as of the acquisition date are as follows:

	Fair value as at the date of acquisition
Assets	
Cash and cash equivalents	\$48,676
Note receivables	17,255
Account receivables	44,602
Other receivables	2,574
Inventories	72,283
Prepayments	25,754
Property, plant and equipment	287,687
Right-of-use asset	39,646
Intangible assets	16,454
Other non-current assets	64
Deferred tax assets	14,234
Subtotal	569,229

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Fair value as at the date of acquisition
Liabilities	
Short-term loans	\$45,843
Contract liabilities	9,704
Account payables	53,785
Other payables	96,943
Long-term loans	199,301
Deferred tax liabilities	4,368
Subtotal	409,944
Total net assets	\$159,285

The amount of goodwill for Top Yes (Suzhou) Precision Industry Co., Ltd. is as follows:

Purchase consideration – cash	\$172,977
Add: Fair value of equity held prior to acquisition date	7,762
Add: Non-controlling interests	74,361
Less: Provisional fair value of identifiable net assets	(159,285)
Goodwill	\$95,815

Cash consideration

Cash flows from acquisition	
Net cash acquired with the subsidiary	\$48,676
Cash paid(Note)	-
Net cash inflow	\$48,676

Note: The Group invested RMB36,000 thousand (approximately US\$5,669 thousand) in Top Yes (Suzhou) Precision Industry Co., Ltd. during the years 2022 to 2023. Top Yes (Suzhou) Precision Industry Co., Ltd. completed its cash capital increase in May 2024, resulting in the Group's final consolidated ownership ratio of 53.31%. In May 2024, the Group obtained control and included Top Yes (Suzhou) Precision Industry Co., Ltd. in its consolidated financial statements. For further details, please refer to Note 6(9).

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group had sought an independent appraisal of the assets held by Top Yes (Suzhou) Precision Industry Co., Ltd. and the purchase price allocation was completed during the second quarter of 2025. According to the purchase price allocation result, the fair value on the acquisition date amounted to NT\$159,285 thousand, which is a decrease of NT\$6,923 thousand compared to the provisional fair value.

The comparative information as of June 30, 2024, had been retrospectively adjusted to reflect the aforementioned differences. The adjusted amounts are as follows:

Decrease in property, plant, and equipment	\$(56,556)
Increase in intangible assets excluding goodwill	11,315
Increase in right-of-use assets	5,679
Increase in goodwill	15,686
Increase in deferred tax assets	14,037
Decrease in retained earnings	253
Increase in deferred income tax liabilities	(4,249)
Decrease in non-controlling interests	13,900
Increase in exchange differences on translation of foreign operations	(65)
Increase in general and administrative	(498)
Decrease in income tax expense	24

The comparative information as of December 31, 2024, had been retrospectively adjusted to reflect the aforementioned differences. The adjusted amounts are as follows:

Decrease in property, plant, and equipment	\$(677)
Decrease in intangible assets excluding goodwill	(10,373)
Decrease in right-of-use assets	(108)
Decrease in deferred tax assets	(239)
Decrease in retained earnings	4,827
Decrease in deferred income tax liabilities	2,620
Decrease in non-controlling interests	4,038
Increase in exchange differences on translation of foreign operations	(88)
Increase in general and administrative	(2,013)
Decrease in other gains and losses	(3,712)
Decrease in income tax expense	97

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(30) Subsidiaries that have material non-controlling interests

Financial information of subsidiaries that have material non-controlling interests are provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation and Operation	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
AvioCast Inc.	Taiwan	40.44%	40.44%	49.77%
Top Yes (Suzhou) Precision Industry Co., Ltd.	Suzhou	46.69%	46.69%	46.69%

Accumulated balances of material non-controlling interest:

	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
AvioCast Inc.	\$82,562	\$82,664	\$90,821
Top Yes (Suzhou) Precision Industry Co., Ltd.	\$(4,032)	\$15,929	\$62,012

Profit/(loss) allocated to material non-controlling interest:

	For the six-month periods ended June 30, 2025	For the six-month periods ended June 30, 2024
AvioCast Inc.	\$(103)	\$866
Top Yes (Suzhou) Precision Industry Co., Ltd.	\$(19,935)	\$(19,257)

The summarized financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The summarized information of profit or loss of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. for the six-month periods ended June 30, 2025, and 2024 is as follows:

	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2025		2024	
	AvioCast Inc	Top Yes (Suzhou)	AvioCast Inc	Top Yes (Suzhou)
Operating revenue	\$278,052	\$61,145	\$97,726	\$28,354
Profit/loss from continuing operation	2,141	(41,252)	6,783	(24,829)
Total comprehensive income (loss)	2,141	(41,252)	6,783	(24,829)

The summarized information of assets and liabilities of AvioCast Inc. as of June 30, 2025, December 31, 2024, and June 30, 2024 is as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Current assets	\$391,599	\$353,249	\$353,824
Non-current assets	943,242	958,131	537,110
Current liabilities	251,426	199,288	258,022
Non-current liabilities	930,894	961,713	501,058

The summarized information of assets and liabilities of Top Yes (Suzhou) Precision Industry Co., Ltd. as of June 30, 2025, December 31, 2024, and June 30, 2024 is as follows:

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Current assets	\$96,824	\$127,787	\$164,046
Non-current assets	300,239	345,645	378,185
Current liabilities	373,750	405,253	204,303
Non-current liabilities	1,889	2,606	175,321

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The summarized cash flows information of AvioCast Inc. and Top Yes (Suzhou) Precision Industry Co., Ltd. for the six-month periods ended June 30, 2025, and 2024 is as follows:

	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2025		2024	
	AvioCast Inc	Top Yes (Suzhou)	AvioCast Inc	Top Yes (Suzhou)
Operating activities	\$58,497	\$(11,407)	\$80,667	\$(49,351)
Investing activities	(19,715)	1,182	(1,050)	(66,622)
Financing activities	23,670	14,767	(56,984)	24,838
Net increase/(decrease) in cash and cash equivalents	62,452	4,542	(22,633)	(31,135)

## 7. RELATED PARTY TRANSACTIONS

(1) Deal with related parties as of the end of the reporting period

### Related parties and Relationship

Related parties	Relationship
Honda Business Systems Ltd.	Associate (Note1)
Top Yes Precision Metal Products Co., LTD	Associate
ACTION TOOLING INC.	Associate
BAO LI SHUN CORPORATION	Associate
TONG YEU ENTERPRISE CO., LTD.	Associate
CHANG,KUNG-TIEN	Shareholder of Subsidiary
TSAI,WEN-CHEW	Shareholder of Subsidiary
Top Yes (Suzhou) Precision Industry Co., Ltd.	Associate (Note)
AvioCast Inc.	Associate (Note)

Note: The Group gained control and included AvioCast Inc. and its subsidiaries as part of its consolidated financial statements in April 2024.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

The Group gained control and included Top Yes (Suzhou) Precision Industry Co., Ltd. as part of its consolidated financial statements in May 2024.

Note 1: Honda Business Systems Ltd. sold all of its interests in AvioCast Inc. on May 20, 2025, therefore on June 1, 2025, it was no longer a related party.

(2) Significant transactions with related parties

A. Sales

	For the six-month periods ended June 30,	
	2025	2024
Honda Business Systems Ltd.	\$3,799	\$-

The sales price to the above related parties are comparable with third party customers. The collection period to related parties and third party customers was month-end 90 days.

B. Accounts receivables

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
ACTION TOOLING INC.	\$100,538	\$109,248	\$106,087
Less: Loss allowance	(100,538)	(109,248)	(106,087)
Total	\$-	\$-	\$-

C. Other receivables (excluding financing provided to others)

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Honda Business Systems Ltd.	\$-	\$54	\$-



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

D. Loans to related parties

(a)Interest income

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Top Yes (Suzhou) Precision Industry Co., Ltd.	\$-	\$50	\$-	\$233

E. Accounts payable

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
ACTION TOOLING INC.	\$215	\$240	\$232
BAO LI SHUN CORPORATION	3,898	4,366	4,216
TONG YEU ENTERPRISE CO., LTD.	1,442	1,615	1,560
Total	\$5,555	\$6,221	\$6,008

F. Other payables

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Top Yes Precision Metal Products Co., LTD	\$10,686	\$11,706	\$11,615
Honda Business Systems Ltd.	-	-	265
CHANG, KUNG-TIEN	6,950	16,573	16,443
TSAI, WEN-CHEW	-	3,583	3,555
Total	\$17,636	\$31,862	\$31,878

G. For the six-month periods ended June 30, 2024, the Group entrusted AvioCast Inc. to provide labor services and recognized operating revenue in the amount of NT\$780 thousand.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

H. Salaries and rewards to key management of the Group

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2025	2024	2025	2024
Short-term employee benefit	\$5,288	\$4,684	\$14,729	\$12,680
Post-employment benefit	108	108	216	216
Total	<u>\$5,396</u>	<u>\$4,792</u>	<u>\$14,945</u>	<u>\$12,896</u>

8. PLEDGED ASSETS

The following assets of the Group are pledged as collaterals:

Item	Carrying Amount As of			Secured liabilities
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024	
Notes receivables	\$-	\$-	\$28,155	Collateral for notes receivable account
Accounts receivables	1,897	5,627	-	Short-term loans
Financial assets measured at amortized cost-current	16,201	134,825	57,325	Collateral for notes receivable account
Financial assets measured at amortized cost-non current	3,115	4,233	4,687	Custom bond
Financial assets measured at amortized cost-non current	14,007	3,877	-	Performance guarantees
Property, plant and equipment -Land	1,410,612	1,410,612	1,410,612	Long-term loans
Property, plant and equipment-buildings (net)	551,323	579,275	587,996	Long-term and Short-term loans
Property, plant and equipment-machinery (net)	-	-	74,583	Long-term loans
Refundable deposits	10,299	9,926	5,006	Long-term plant and land deposits and performance guarantees
Total	<u>\$2,007,454</u>	<u>\$2,148,375</u>	<u>\$2,168,364</u>	

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

9. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(a) As of June 30, 2025, December 31, 2024 and June 30, 2024, the outstanding contracts relating to purchased property, plant and equipment of Global Tek Fabrication Co., Ltd., Global Tek Co., Ltd., Global Tek (Wuxi) Co., Ltd. for business needs were as follows:

Purchased property, plant and equipment	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Global Tek Fabrication Co., Ltd.	\$64,131	\$32,245	\$43,852
Global Tek Co., Ltd.	37,748	-	-
Global Tek (Wuxi) Co., Ltd.	6,766	12,889	19,949
Total	<u>\$108,645</u>	<u>\$45,134</u>	<u>\$63,801</u>

(b) As of June 30, 2025, December 31, 2024 and June 30, 2024, Global Tek Co., Ltd. issued guarantee notes as collateral for the purchase of materials were all NT\$88,960 thousand.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENT

None.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

12. OTHERS

(1) Categories of financial instruments

Financial assets

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Financial asset at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	\$577	\$721	\$1,657
Financial assets at fair value through other comprehensive income	48,666	48,666	80,234
Financial assets measured at amortized cost:			
Cash and cash equivalents (excluding cash on hand)	1,969,876	1,936,668	2,117,816
Financial assets measured at amortized cost	33,323	142,935	62,012
Accounts receivables (including related parties)	1,513,856	1,730,997	1,782,970
Other receivables (including related parties)	38,807	49,007	65,106
Refundable deposits	16,847	17,951	14,423
Total	<u>\$3,621,952</u>	<u>\$3,926,945</u>	<u>\$4,124,218</u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Financial liabilities

	As of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Financial liabilities at amortized cost:			
Short-term loans	\$831,955	\$517,262	\$454,882
Payables	1,454,845	1,581,529	1,537,581
Long-term loans (current portion included)	2,000,285	2,127,237	2,289,463
Bonds payable (current portion included)	40,619	44,687	385,556
Lease liabilities	590,009	600,647	168,791
Guarantee deposits	6,617	7,543	7,554
Total	<u>\$4,924,330</u>	<u>\$4,878,905</u>	<u>\$4,843,827</u>

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable. There are usually interdependencies between risk variables. However the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency. The information of the sensitivity analysis is as follows:

When NTD dollars strengthens/weakens against USD dollars by 1%, the profit for the six-month periods ended June 30, 2025 and 2024 is decreased/increased by NT\$13,680 thousand and NT\$19,351 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investments with variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the six-month periods ended June 30, 2025 and 2024 to decrease/ increase by NT\$862 thousand and NT\$627 thousand, respectively.

### Equity price risk

The fair value of the Group's unlisted equity securities to market price risk arising from uncertainties about future values of the investment securities. The Group's unlisted equity securities measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, a change of 1% in the price of the unlisted equity securities measured at fair value through profit or loss could increase/decrease the Group's profit for the six-month periods ended June 30, 2025 and 2024 by NT\$486 thousand and NT\$802 thousand, respectively.

Please refer Note12(9) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

### (4)Credit risk management

Credit risk is the risk that the counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivables, notes receivables and lease payment receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

Credit risk from balances with banks and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit ratings. Consequently, there is no significant credit risk for these counterparties.

The objects of accounts receivable cover a large number of customers, scattered in different industries and geographical regions. The Group evaluates the financial condition of its accounts receivable customers on an ongoing basis.

The Group adopted IFRS 9 to assess the expected credit losses. Except for accounts receivables, the remaining debt instrument investments which are not measured at fair value through profit or loss are purchased based on low credit risk, and the Group makes an assessment on each balance sheet date as to whether the credit risk rises significantly since original recognition and then further determines the method of measuring the loss allowance and the loss rate.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

#### (5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments, bank borrowings, convertible bonds etc. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted interest payment relating to borrowings with variable interest rates is extrapolated based on the estimated yield curve as of the end of the reporting period.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Non-derivative financial instruments

	Less than 1 year	1 to 3 years	3 to 5 years	Over than 5 years	Total
As of Jun. 30, 2025					
Short-term loans	\$839,029	\$-	\$-	\$-	\$839,029
Long-term loans	329,634	1,279,046	179,560	150,205	1,938,445
Payables	1,454,845	-	-	-	1,454,845
Convertible bonds	-	41,700	-	-	41,700
Lease liabilities (Note)	43,238	100,605	102,356	496,980	743,179
As of Dec. 31, 2024					
Short-term loans	\$522,024	\$-	\$-	\$-	\$522,024
Long-term loans	489,489	1,335,843	191,006	192,090	2,208,428
Payables	1,581,529	-	-	-	1,581,529
Convertible bonds	100	46,200	-	-	46,300
Lease liabilities (Note)	43,489	57,592	101,310	559,310	761,701
As of Jun. 30, 2024					
Short-term loans	\$457,723	\$-	\$-	\$-	\$457,723
Long-term loans	383,489	1,944,880	61,964	-	2,390,333
Payables	1,537,581	-	-	-	1,537,581
Convertible bonds	65,600	334,900	-	-	400,500
Lease liabilities (Note)	41,130	55,848	40,139	37,910	175,027

Note: The table below provides further information on the lease liability maturity analysis:

	Due period			
	Less than 1 year	1 to 5 years	6 to 10 years	Total
As of Jun. 30, 2025	\$43,238	\$202,961	\$496,980	\$743,179
As of Dec. 31, 2024	43,489	158,902	559,310	761,701
As of Jun. 30, 2024	41,130	95,987	37,910	175,027

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(6) Reconciliation schedule of liabilities arising from financing activities

Reconciliation schedule of liabilities for the six-month periods ended June 30, 2025:

	Short-term loans	Long-term loans	Guarantee deposits	Lease liabilities	Bonds payable	Total liabilities from financing activities
As of Jan. 1, 2025	\$517,262	\$2,127,237	\$7,543	\$600,647	\$44,687	\$3,297,376
Cash flows	314,693	(111,487)	(926)	(21,859)	-	180,421
Non-cash changes						
Lease range changes	-	-	-	2,946	-	2,946
Interest expense	-	-	-	8,355	390	8,745
Other	-	-	-	-	(4,458)	(4,458)
Exchange differences	-	(15,465)	-	(80)	-	(15,545)
As of Jun. 30, 2025	<u>\$831,955</u>	<u>\$2,000,285</u>	<u>\$6,617</u>	<u>\$590,009</u>	<u>\$40,619</u>	<u>\$3,469,485</u>

Reconciliation schedule of liabilities for the six-month periods ended June 30, 2024:

	Short-term loans	Long-term loans	Guarantee deposits	Lease liabilities	Bonds payable	Total liabilities from financing activities
As of Jan. 1, 2024	\$332,795	\$1,407,550	\$5,635	\$118,154	\$918,630	\$2,782,764
Cash flows	41,244	75,796	1,919	(13,858)	-	105,101
Non-cash changes						
Consolidated entities changes	80,843	808,161	-	57,328	-	946,332
Lease range changes	-	-	-	6,242	-	6,242
Interest expense	-	-	-	886	7,895	8,781
Other	-	-	-	-	(540,969)	(540,969)
Exchange differences	-	(2,044)	-	39	-	(2,005)
As of Jun. 30, 2024	<u>\$454,882</u>	<u>\$2,289,463</u>	<u>\$7,554</u>	<u>\$168,791</u>	<u>\$385,556</u>	<u>\$3,306,246</u>

(7) Fair values of financial instruments

(a) The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- i. The carrying amount of cash and cash equivalents, accounts receivable, accounts payable and other current liabilities approximate their fair value.
- ii. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates bonds and futures etc.) at the reporting date.
- iii. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).
- iv. Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Gre Tai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(b) Fair value of financial instruments measured at amortized cost

Other than cash and cash equivalents, accounts receivables, accounts payables and other current liabilities whose carrying amount approximate their fair value, the fair value of the Group's financial assets and financial liabilities measured at amortized cost is listed in the table below:

	Carrying amount as of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Financial liabilities			
Bonds payable	\$40,619	\$44,687	\$385,556

  

	Fair value as of		
	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Financial liabilities			
Bonds payable	\$40,728	\$44,655	\$385,748

(c) Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's derivative financial instruments include embedded derivatives. The related information for derivative financial instruments not qualified for hedge accounting and not yet settled are as follows:

Embedded derivatives

The embedded derivatives arising from issuing convertible bonds have been separated from the host contract and carried at fair value through profit or loss. Please refer to Note 6 for further information on this transaction.

(9) Fair value measurement hierarchy

(a) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(b) Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

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Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of June 30, 2025

<u>Financial assets:</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss				
Convertible corporate bond redemption rights	\$-	\$96	\$-	\$96
Funds beneficiary certificates	481	-	-	481
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	-	-	48,666	48,666

Financial liabilities:

None.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of December 31, 2024

<u>Financial assets:</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through profit or loss				
Convertible corporate bond redemption rights	\$-	\$203	\$-	\$203
Funds beneficiary certificates	518	-	-	518
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	-	-	48,666	48,666

Financial liabilities:

None.

As of June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets:</u>				
Financial assets at fair value through profit or loss				
Convertible corporate bond redemption rights	\$-	\$1,105	\$-	\$1,105
Funds beneficiary certificates	552	-	-	552
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	-	-	80,234	80,234

Financial liabilities:

None.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Transfers between Level 1 and Level 2 during the period

For the six-month periods ended June 30, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Valuation process used for fair value measurements categorized within Level 2 of the fair value hierarchy

The convertible corporate bond redemption right is based on the discounted cash flow method, and the future cash flow is estimated based on the stock price volatility in the last year and the annual bond yield rate.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

As of June 30, 2025

	Assets
	Financial asset at fair value through other comprehensive income
	Stock
As of Jan. 1, 2025	\$48,666
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	-
As of Jun. 30, 2025	\$48,666



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of June 30, 2024

	Assets
	Financial asset at fair value through other comprehensive income
	Stock
As of Jan. 1, 2024	\$79,925
Total gains and losses recognized for the six-month periods ended June 30, 2024:	
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	(51)
Exchange differences	360
As of Jun. 30, 2024	\$80,234

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

Financial instrument category	Valuation techniques and inputs
Domestic unlisted companies stock investment	The fair value is estimated using the market method, and the determination is based on the industry category, the evaluation of the same type of company and the operating situation.
Foreign unlisted companies stock investment	Using the income method, the present value of the income expected to be derived from holding the investment is calculated by discounting cash flows.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As of June 30, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial liabilities:					
Fair value through profit or loss					
Embedded derivatives	A binomial-tree model for convertible bond pricing	Volatility	53.15%	The higher the volatility, the higher the fair value of embedded derivatives	1% increase (decrease) in the volatility would result in increase (decrease) in the Group's profit or loss by NT\$21 thousand and NT\$(13) thousand

As of December 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial liabilities:					
Fair value through profit or loss					
Embedded derivatives	A binomial-tree model for convertible bond pricing	Volatility	49.78%	The higher the volatility, the higher the fair value of embedded derivatives	1% increase (decrease) in the volatility would result in increase (decrease) in the Group's profit or loss by NT\$0 and NT\$(30) thousand

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of June 30, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial liabilities:					
Fair value through profit or loss					
Embedded derivatives	A binomial-tree model for convertible bond pricing	Volatility	41.38%	The higher the volatility, the higher the fair value of embedded derivatives	1% increase (decrease) in the volatility would result in increase (decrease) in the Group's profit or loss by NT\$33 thousand and NT\$(100) thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's financial department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

(c) Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

As of June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$78,226	\$78,226

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

As of June 30, 2025

	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value but for which the fair value is disclosed:				
Bonds payables (please refer to Note 6(16))	\$-	\$-	\$40,728	\$40,728

As of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$78,226	\$78,226

Financial liabilities not measured at fair value but for which the fair value is disclosed:

Bonds payables (please refer to Note 6(16))	\$-	\$-	\$44,655	\$44,655
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As of June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(11))	\$-	\$-	\$78,387	\$78,387

Financial liabilities not measured at fair value but for which the fair value is disclosed:

Bonds payables (please refer to Note 6(16))	\$-	\$-	\$385,748	\$385,748
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Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(10) Significant financial assets and liabilities denominated in foreign currencies

Information regarding the Group's significant financial assets and liabilities denominated in foreign currencies was listed below:

	As of					
	Jun. 30, 2025			Dec. 31, 2024		
	Foreign Currencies	Exchange Rate	NTD	Foreign Currencies	Exchange Rate	NTD
<u>Financial assets</u>						
Monetary items:						
USD	\$55,734	29.283	\$1,632,045	\$57,894	32.794	\$1,898,564
EUR	7,207	34.325	247,392	5,005	34.150	170,920
RMB	72,931	4.089	298,179	48,082	4.479	215,359
JPY	535,228	0.203	108,732	544,862	0.210	114,421

Financial liabilities

Monetary items:						
USD	\$6,695	29.283	\$196,071	\$5,217	32.794	\$171,074
EUR	1,851	34.325	63,533	1,384	34.150	47,276
RMB	35,080	4.089	143,426	17,122	4.479	76,690

	As of		
	Jun. 30, 2024		
	Foreign Currencies	Exchange Rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$68,211	32.44	\$2,212,977
EUR	6,466	34.70	224,367
RMB	54,203	4.444	240,879
JPY	551,774	0.202	111,238
THB	126,476	0.88	111,489

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	As of		
	Jun. 30, 2024		
	Foreign Currencies	Exchange Rate	NTD
<u>Financial liabilities</u>			
Monetary items:			
USD	\$5,803	32.44	\$188,253
EUR	2,002	34.70	69,467
RMB	24,009	4.444	106,687
JPY	3,347	0.202	675

The above information is disclosed based on the carrying amount of foreign currency (after being converted to functional currency).

The Group's entities' functional currency are various and hence is not able to disclose the information of exchange gains and losses of monetary financial assets and liabilities by each significant assets and liabilities denominated in foreign currencies. The foreign exchange gain/(loss) were NT\$(150,141) thousand and NT\$113,630 thousand for the six-month periods ended June 30, 2025 and 2024, respectively.

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. ADDITIONAL DISCLOSURES

(1) Information on significant transactions:

- a. Financing provided to others for the six-month periods ended June 30, 2025: Please refer to Attachment 1.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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- b. Endorsement/Guarantee provided to others for the six-month periods ended June 30, 2025:  
Please refer to Attachment 2.
- c. Marketable securities held as of June 30, 2025. (excluding investments in subsidiaries, associates and joint ventures): Please refer to Attachment 3.
- d. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the six-month periods ended June 30, 2025: Please refer to Attachment 5.
- e. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of June 30, 2025: Please refer to Attachment 6.
- f. Inter Group relationships and significant inter group transactions for the six-month periods ended June 30, 2025: Please refer to Attachment 7.

(2) Information on investees:

- A. Name, locations and related information of investees as of June 30, 2025(excluding investees in Mainland China): Please refer to Attachment 4.
- B. If an investee is controlled by an investor, the related information for the investee shall be disclosed as the same as Note 13(1):
  - (a) Financing provided to others for the six-month periods ended June 30, 2025: None.
  - (b) Endorsement/Guarantee provided to others for the six-month periods ended June 30, 2025: None.
  - (c) Marketable securities held as of June 30, 2025 (excluding investments in subsidiaries, associates and joint ventures): Please refer to Attachment 3.
  - (d) Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the six-month periods ended June 30, 2025: None.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

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- (e) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of June 30, 2025: Please refer to Attachment 6.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

(3) Information on investments in Mainland China:

- A. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, net income (loss) of investee company, percentage of ownership, investment income (loss), carrying value of investments, cumulated inward remittance of earnings and limits on investment in Mainland China:

Amount in thousand; Currency denomination in NTD unless otherwise specified

Investee company	Main Business and Product	Total Amount of Pain-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025 (Note 5)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Jun. 30, 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized	Carrying Value as of Jun. 30, 2025	Accumulated Inward Remittance of Earnings as of Jun. 30, 2025
					Outflow	Inflow						
Global Tek (Xi'An) Co., Ltd.	Precision machining of industrial automatic control parts and aerospace equipment parts	\$159,450 (USD 5,100)	(2)A	\$111,166 (USD 3,642)	\$-	\$-	\$111,166 (USD 3,642)	\$40,594 (RMB 9,250) (Note 2&4)	100%	\$40,594 (RMB 9,250) (Note 2,4 &6)	\$573,461 (RMB 140,262) (Note 2,4&6)	\$-

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Investee company	Main Business and Product	Total Amount of Pain-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025 (Note 5)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Jun. 30, 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized	Carrying Value as of Jun. 30, 2025	Accumulated Inward Remittance of Earnings as of Jun. 30, 2025
					Outflow	Inflow						
Global Tek (Wuxi) Co., Ltd.	Precision machining of automotive components	\$704,420 (USD 22,000)	(2)B	\$494,073 (USD 16,378)	\$-	\$-	\$494,073 (USD 16,378)	\$71,133 (RMB 16,209) (Note 2&4)	100%	\$71,133 (RMB 16,209) (Note 2,4&6)	\$1,792,783 (RMB 438,494) (Note 2,4&6)	\$-
Globaltek Xi'An Machinery Manufacturing Co., Ltd.	Sales of industrial automatic control parts and aerospace equipment parts	\$22,115 (RMB 5,000)	(2)C	\$-	\$-	\$-	\$-	\$(88) (RMB(20)) (Note 2&4)	100%	\$(88) (RMB(20)) (Note 2,4&6)	\$43,399 (RMB 10,615) (Note 2,4&6)	\$-

English Translation of Consolidated Financial Statements and Footnotes Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Investee company	Main Business and Product	Total Amount of Pain-in Capital (Note 3)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025 (Note 5)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Jun. 30, 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized	Carrying Value as of Jun. 30, 2025	Accumulated Inward Remittance of Earnings as of Jun. 30, 2025
					Outflow	Inflow						
Global Tek Metal Manufacturing (Shaanxi) Co., Ltd.	Precision machining of industrial automatic control parts and aerospace equipment parts	\$142,103 (RMB 33,000) (Note2)	(2)D	\$-	\$-	\$-	\$-	\$(149) (RMB (34)) (Note 2 and 4)	100%	\$(149) (RMB (34)) (Note 2, 4 and 6)	\$101,795 (RMB 24,898) (Note 2, 4 and 6)	\$-
Top Yes (Suzhou) Precision Industry Co., Ltd.	Precision machining of automotive components	\$625,953 (RMB 21,376)	(2)E	\$146,270 (USD 4,724)	\$-	\$-	\$146,270 (USD 4,724)	\$(41,252) (RMB (9,400)) (Note 2)	53.31%	\$(21,995) (RMB(5,012)) (Note 2)	\$(4,605) (RMB (1,126)) (Note 2)	\$-

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Accumulated Investment in Mainland China as of Jun. 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$724,579 (USD24,744)	\$985,227 (USD33,645)	\$2,713,336

Note 1: The investment methods are divided into the following three types, just indicate the types:

(1) Go directly to the mainland for investment.

(2) Reinvest in mainland China through a third-region company.

A. Global Tek (Xi'An) Co., Ltd. is 100% owned by Global Tek Co., Ltd. (Samoa)

B. Global Tek (Wuxi) Co., Ltd. is invested by Global Tek Co., Ltd. (Samoa) and Global Tek Fabrication Co., Ltd. (HK) to hold 52.98% and 47.02% of the shares respectively.

C. Global Tek Xi'An Machinery Manufacturing Co., Ltd. is 100% owned by Global Tek (Xi'An) Co., Ltd.

D. Global Tek Metal Manufacturing (Shaanxi) Co., Ltd. is 100% owned by Global Tek (Xi'An) Co., Ltd.

E. In May 2024, Top Yes (Suzhou) Precision Industry Co., Ltd. completed a cash capital increase. The Group increased its ownership percentage from 4.11% to 31.21% through its subsidiary, Global Tek (Wuxi) Co., Ltd., and to 22.10% through its subsidiary, Global Tek Fabrication Co., LTD. (Samoa). The Group's final consolidated ownership percentage reached 53.31%

(3) Other methods.

Note 2: Amounts in foreign currencies are translated into New Taiwan dollars using the exchange rates on the balance sheet date.

Note 3: It refers to the original investment amount of the original shareholder before the company acquires the equity of the mainland reinvested enterprise.

Note 4: Gain/loss on investment is recognized based on the financial statements which were reviewed by the independent auditors of the parent company in Taiwan.

Note 5: It refers to the original investment amount of the company's transfer investment enterprise in China.

Note 6: Transactions between consolidated entities are eliminated in the consolidated financial statements.

B. Significant transactions with investees in China:

- (a) Purchase and accounts payable with the related parties: Please refer to Attachment 7.
- (b) Sales and receivables with the related parties: Please refer to Attachment 7.
- (c) Property transaction amounts and resulting gain or loss: None.
- (d) Ending balance of endorsements/guarantees or collateral provided and the purposes: Please refer to Attachment 2.
- (e) Maximum balance, ending balance, interest rate range and total interest for current period from financing provided to others: Please refer to Attachment 1.
- (f) Transactions that have significant impact on profit or loss of current period or the financial position, such as services provided or rendered: Please refer to Attachment 7.
- (g) Above transactions are eliminated upon preparation of consolidated financial statements. Please refer to Attachment 7.

14. SEGMENT INFORMATION

- (1) For management purposes, the Group is organized into operating segments based on different products and services and has three reportable operating segments as follows:

Automotive products business: precision processing of auto parts and sales.

Industrial Products business: Industrial automatic control parts and sales.

Aerospace products business: Precision machining aerospace equipment parts and sales.

No operating segments have been aggregated to form the above reportable operating segments.

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements.

	Automotive products business	Industrial Products business	Aerospace products business	Adjustments & eliminations	Consolidated
<u>For the three-month period ended Jun. 30, 2025</u>					
Revenue					
External customers	\$608,013	\$429,620	\$200,603	\$-	\$1,238,236
Inter-segment	168,764	106,097	-	(274,861)	-
Total revenue	<u>\$776,777</u>	<u>\$535,717</u>	<u>\$200,603</u>	<u>\$(274,861)</u>	<u>\$1,238,236</u>
Segment profit	<u>\$19,224</u>	<u>\$21,243</u>	<u>\$5,822</u>	<u>\$-</u>	\$46,289
Other unallocated amounts					
Non-operating incomes and expenses					(182,034)
Income before income tax					<u><u>\$(135,745)</u></u>

	Automotive products business	Industrial Products business	Aerospace products business	Adjustments & eliminations	Consolidated
<u>For the three-month period ended Jun. 30, 2024</u>					
Revenue					
External customers	\$638,116	\$461,770	\$160,098	\$-	\$1,259,984
Inter-segment	182,543	128,073	-	(310,616)	-
Total revenue	<u>\$820,659</u>	<u>\$589,843</u>	<u>\$160,098</u>	<u>\$(310,616)</u>	<u>\$1,259,984</u>
Segment profit	<u>\$19,277</u>	<u>\$24,789</u>	<u>\$5,883</u>	<u>\$-</u>	\$49,949
Other unallocated amounts					
Non-operating incomes and expenses					70,581
Income before income tax					<u><u>\$120,530</u></u>

Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

	Automotive products business	Industrial Products business	Aerospace products business	Adjustments & eliminations	Consolidated
<u>For the six-month period ended Jun. 30, 2025</u>					
Revenue					
External customers	\$1,234,894	\$840,733	\$414,958	\$-	\$2,490,585
Inter-segment	339,177	207,768	-	(546,945)	-
Total revenue	<u>\$1,574,071</u>	<u>\$1,048,501</u>	<u>\$414,958</u>	<u>\$(546,945)</u>	<u>\$2,490,585</u>
Segment profit	<u>\$12,455</u>	<u>\$56,933</u>	<u>\$36,377</u>	<u>\$-</u>	\$105,765
Other unallocated amounts					
Non-operating incomes and expenses					(135,028)
Income before income tax					<u>\$(29,263)</u>
<u>For the six-month period ended Jun. 30, 2024</u>					
Revenue					
External customers	\$1,205,112	\$877,851	\$231,709	\$-	\$2,314,672
Inter-segment	334,326	221,151	-	(555,477)	-
Total revenue	<u>\$1,539,438</u>	<u>\$1,099,002</u>	<u>\$231,709</u>	<u>\$(555,477)</u>	<u>\$2,314,672</u>
Segment profit	<u>\$39,713</u>	<u>\$60,838</u>	<u>\$10,528</u>	<u>\$-</u>	\$111,079
Other unallocated amounts					
Non-operating incomes and expenses					174,040
Income before income tax					<u>\$285,119</u>

Departmental (profit) loss refers to the profit earned by each department, excluding apportioned interest income, gains and losses from disposal of real estate, plant and equipment, net (profit) losses from foreign currency exchange, financial instrument evaluation gains and losses, financial costs, and income tax expenses. This measure is provided to the chief operating decision maker to allocate resources to departments and measure their performance.



Global Tek Fabrication Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements – (Continued)

(Amounts Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

Information on assets and liabilities of the reportable segment.

	Automotive products business	Industrial Products business	Aerospace products business	unallocated assets	Consolidated
As of Jun. 30, 2025					
Segment assets	<u>\$2,691,770</u>	<u>\$3,105,763</u>	<u>\$1,335,948</u>	<u>\$2,688,385</u>	<u>\$9,821,866</u>
As of Dec. 31, 2024					
Segment assets	<u>\$2,971,862</u>	<u>\$3,120,187</u>	<u>\$1,384,167</u>	<u>\$2,784,046</u>	<u>\$10,260,262</u>
As of Jun. 30, 2024					
Segment assets	<u>\$2,879,888</u>	<u>\$3,045,426</u>	<u>\$959,285</u>	<u>\$3,088,351</u>	<u>\$9,972,950</u>

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Global Tek Fabrication Co., Ltd. and Subsidiaries

Financing provided to others

For the six-month periods ended June 30, 2025

Attachment 1

(In Thousands of Foreign Currency/New Taiwan Dollars)

NO. (Note 1)	Lender	Counter-party	Financial accounting account	Related Party	Maximum balance for the period	Ending balance	Actual amount provided	Interest rate	Nature of financing (Note 2)	Amount of sales to (purchases from) counter-party	Reason for financing	Allowance for doubtful accounts	Collateral		Limit of financing amount for individual counter-party (Note 3)	Limit of total financing amount (Note 3)
													Item	Value		
1	Global Tek (Wuxi) Co., Ltd.	Top Yes (Suzhou) Precision Industry Co., Ltd.	Other receivables	YES	\$73,593 (CNY 18,000)	\$57,239 (CNY 14,000)	\$28,620 (CNY 7,000) (Note 5)	3.10%	2	\$-	Business turnover and factory construction	\$-	None	\$-	\$358,557	\$717,113
2	Global Tek GmbH	Formtechnology GmbH	Other receivables	None	\$3,776 (EUR 110)	\$3,776 (EUR 110)	\$3,776	7.50%	2	\$-	Business turnover	\$3,776 (Note 4)	None	\$-	\$642	\$1,284

Note 1: Global Tek Fabrication Co. Ltd. and subsidiaries are coded as follows:

- 1.Global Tek Fabrication Co. Ltd. is coded "0".
- 2.The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of financing is coded as follows:

- 1.Need for operating is coded "1".
- 2.Need for short term financing is coded "2".

Note 3: The total amount of the Company's funds lent to others shall not exceed 20% of the Company's latest net worth indicated in the financial statements audited or reviewed by a certified accountant. The limit for each borrower is determined according to the reason as follows:

- (1) For those who have business relationship with the Company, the individual loan amount shall not exceed the higher of the purchase or sales amount of the Company as of the time the loan is extended for the most recent year or the current year.
- (2) When there is a need for short-term financing, the amount of financing shall not exceed 40% of the Company's latest net worth indicated in the financial statements audited or reviewed by a certified accountant.

The financing amount mentioned in the preceding paragraph refers to the cumulative balance of the Company's short-term financing funds.

Note 4 : Formtechnology GmbH filed the bankruptcy to local court in Germany and the local court appointed provisional assignee in December 2024. As of June 30, 2025, the bankruptcy and liquidation process has not been completed.

Note 5 : Transactions are eliminated when preparing the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Endorsement/Guarantee provided to others

For the six-month periods ended June 30, 2025

Attachment 2

(In Thousands of Foreign Currency/New Taiwan Dollars)

NO. (Note1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note3)	Maximum Balance for the Period (Note4)	Ending Balance (Note5)	Amount Actually Drawn (Note6)	Amount of Endorsement/ Guarantee secured by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Worth per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowed (Note3)	Endorsement provided by parent company to subsidiaries (Note7)	Endorsement provided by subsidiaries to parent company (Note7)	Endorsement provided to entities in China (Note7)
		Name	Nature of Relationship (Note2)										
0	Global Tek Fabrication Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	Subsidiary	\$904,445	\$122,655	\$-	\$-	\$-	-%	\$2,261,113	Y	N	Y

Note1 : Global Tek Fabrication Co., Ltd. and its subsidiaries are coded as follows:

- 1.Global Tek Fabrication Co., Ltd. is coded "0".
- 2.The subsidiaries are coded consecutively beginning from "1" in the order presented in the above table.

Note2 : The relationship between the guarantor of the endorsement and the object to be guaranteed is as follows:

- 1.The company with business contacts.
- 2.The company directly and indirectly holds more than 50% of the shares with voting rights.
- 3.Companies that directly and indirectly holds more than 50% of the shares of the company with voting rights.
- 4.The company directly and indirectly holds more than 90% of the shares with voting rights.
- 5.Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry.
- 6.A company whose co-investment relationship is endorsed by all shareholders in proportion to their shareholding ratio.
- 7.The performance guarantee of the preconstruction real estate contract between the same industry in accordance with the Consumer Protection Law is jointly guaranteed.

Note 3: The company should fill in the endorsement guarantee limit for individual objects and the maximum endorsement guarantee limit set by the company in accordance with the endorsement guarantee operation procedures for others.

According to the company's "endorsement guarantee operation procedures", the company's external endorsement The total amount of certificates shall not exceed 50% of the current net value. The amount of endorsement guarantee for a single enterprise shall not exceed 20% of the current net value.

Note 4: The maximum balance of endorsement guarantee for others in the current year.

Note 5: In the end of the year, when the company signs an endorsement guarantee contract with the bank or the amount of the bill is approved, it will assume the endorsement or guarantee responsibility;  
other related endorsement guarantees should be included in the endorsement guarantee balance.

Note 6: The actual expenditure amount of the endorsed guarantee company within the scope of the endorsement guarantee balance should be entered.

Note 7: Y must be filled in only for the endorsement of the parent company of the listed company to the subsidiary, the endorsement of the subsidiary to the parent company of the listed company, and the endorsement certificate of the mainland area.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Marketable Securities Held (Excluding Investments in Subsidiaries, Associates and Joint Ventures)

As of June 30, 2025

Attachment 3

(In Thousands of New Taiwan Dollars)

Holding Company	Securities Type and Name	Relationship	Financial Statement Account	As of June 30, 2025				Note
				Shares/Units	Book Value	Percentage of ownership (%)	Fair value	
Global Tek Fabrication Co., Ltd.	<u>Stock</u> Techplasma Technology Co., Ltd.	-	Financial asset at fair value through other comprehensive income, noncurrent	1,266,690	<u>\$48,666</u>	3.81%	<u>\$48,666</u>	Unlisted (counter) company stocks
Global Tek GmbH	<u>Stock</u> Formtechnology GmbH	-	Financial asset at fair value through other comprehensive income, noncurrent	-	<u>\$-</u>	9.28%	<u>\$-</u>	Unlisted (counter) company stocks
Global Tek Co., Ltd.	Money market funds: Neuberger Investment Fund - NB High Yield Bond Securities Fund T Weekly Dividend Stocks (AUD)	-	Financial assets at fair value through profit or loss	4,749	<u>\$481</u>	-%	<u>\$481</u>	

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
Global Tek Fabrication Co., Ltd. and Subsidiaries  
Name, locations and related information (Excluding Investees in Mainland China)  
As of June 30, 2025

Attachment 4

(In Thousands of Foreign Currency / New Taiwan Dollars)

Investor Company	Investee Company	Address	Main businesses and products	Original Investment Amount		Investments as of June 30, 2025			Net income (loss) of investee company	Investment income (loss) recognized	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book Value			
Global Tek Fabrication Co., Ltd.	Global Tek Co., Ltd.	Taiwan	Auto parts precision processing	\$200,000	\$200,000	20,000,000 shares	100.00%	\$221,549	\$(21,480)	\$(21,480)	Note
Global Tek Fabrication Co., Ltd.	Global Tek Fabrication Co., Ltd. (Samoa)	APIA, SAMOA	Investing activities	USD 25,795	USD 25,795	-	100.00%	\$2,236,721	\$98,064	\$99,257 (NOTE 1)	Note
Global Tek Fabrication Co., Ltd.	Global Tek GmbH	Bavaria, Germany	Auto Parts, industrial automatic control parts, Aerospace equipment parts sales	EUR 525	EUR 525	-	100.00%	\$3,210 EUR 94	\$477 EUR 14	\$477 EUR 14	Note
Global Tek Fabrication Co., Ltd.	AvioCast Inc.	Taiwan	Aerospace aluminum alloy manufacturing sales	\$192,028	\$192,028	15,961,000 shares	59.56%	\$157,208	\$2,141	\$(151) (NOTE 2)	Note
Global Tek Fabrication Co., Ltd.	GLOBAL TEK 株式会社	Japan	Auto Parts, industrial automatic control parts, Aerospace equipment parts sales	JPY 27,000	JPY 27,000	2,700,000 shares	90.00%	\$(1,500) (JPY 7,385)	\$1,698 JPY 7,907	\$1,528 JPY 7,117	Note
Global Tek Fabrication Co., Ltd.	GLOBAL TEK GROUP (THAI) CO., LTD.	Thailand	Auto parts precision processing	THB 240,000	THB 150,000	2,400,000 shares	100.00%	\$214,811 THB 238,414	\$(327) (THB 345)	\$(327) (THB 345)	Note
Global Tek Fabrication Co., Ltd.	GLOBAL TEK AVIATION (THAI) CO., LTD.	Thailand	Aerospace equipment parts precision processing	THB 60,000	THB 60,000	600,000 shares	100.00%	\$54,007 THB 59,941	\$(64) (THB 67)	\$(64) (THB 67)	Note
Global Tek Co., Ltd.	GP TECH INC (US)	American Little	Auto Parts, industrial automatic control parts, Aerospace equipment parts sales	USD 20	USD 20	-	100.00%	\$3,310 USD 113	\$(96) (USD 3)	\$(96) (USD 3)	Note
Global Tek Fabrication Co., Ltd. (Samoa)	Global Tek Co., Ltd. (Samoa)	APIA, SAMOA	Investing activities	USD 13,150	USD 13,150	-	100.00%	\$1,399,842	\$76,545	\$76,545	Note
Global Tek Fabrication Co., Ltd. (Samoa)	Global Tek Fabrication Co., Ltd. (HK)	Hongkong	Investing activities	HKD 62,380	HKD 62,380	-	92.76%	\$845,032	\$37,685	\$34,956	Note
Global Tek Co., Ltd.	Global Tek Fabrication Co., Ltd. (HK)	Hongkong	Investing activities	USD 660	USD 660	-	7.24%	\$65,956	\$37,685	\$2,729	Note

Note : Transactions are eliminated when preparing the consolidated financial statements.

Note1: Including investment gain recognized under equity method amounted to NT\$98,064 thousand and realized profit on transaction between subsidiaries amounted to NT\$22,711 thousand and unrealized profit on transaction between subsidiaries amounted to NT\$(21,707) thousand and realized profit on transaction between subsidiaries amounted to NT\$548 thousand and unrealized profit on transaction between subsidiaries amounted to NT\$(450) thousand and realized profit on transaction between subsidiaries amounted to NT\$(5,621) thousand and unrealized profit on transaction between subsidiaries amounted to NT\$5,712 thousand.

Note 2: Including investment gain recognized under equity method amounted to NT\$1,276 thousand, and the premium amortization amounted to NT\$(1,427) thousand.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Related party transactions for purchases and sales amount exceeding the lower of NT\$100 million or 20 percent of capital stock

For the six-month periods ended June 30, 2025

Attachment 5

(In Thousands of New Taiwan Dollars)

Purchase (sales) company	Counterparty	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivables (payables)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales) (%)	Term	Unit Price	Term	Balance	Percentage of total receivables (payables)(%)	
Global Tek Fabrication Co.,Ltd	Global Tek (Xi'An) Co., Ltd.	Subsidiary	Purchases	\$121,435	30%	90 days after monthly dosing	Same as general trading conditions	Same as general trading conditions	Accounts payables \$(74,970)	26%	Note
Global Tek Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	Associate	Purchases	\$339,177	67%	90 days after monthly dosing	Same as general trading conditions	Same as general trading conditions	Accounts payables \$(281,950)	66%	Note

Note : Transactions are eliminated when preparing the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Global Tek Fabrication Co., Ltd. and Subsidiaries

Receivable from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock

As of June 30, 2025

Attachment 6

(In Thousands of Foreign Currency / New Taiwan Dollars)

Company	Counterparty	Relationship	Ending Balance	Turnover Ratio	Overdue		Amount Received in Subsequent Periods	Loss Allowance
					Amount	Action Taken		
Global Tek (Wuxi) Co., Ltd.	Global Tek Co., Ltd.	Associate	\$281,950	3.03	\$-	-	\$49,717	\$-
			(Note1&2)					

Note 1: Accounts receivables.

Note 2: Transactions are eliminated when preparing the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
Global Tek Fabrication Co., Ltd. and Subsidiaries  
Intercompany Relationships and Significant Intercompany Transactions  
For the six-month periods ended June 30, 2025

Attachment 7

(In Thousands of Foreign Currency / New Taiwan Dollars)

No	Company Name	Counter-Party	Nature of Relationship (Note 2)	Intercompany Transaction			
				Financial Statement Account	Amount	Terms	Percentage to Consolidated Net Revenue or Total Assets (Note 3)
	2025.01.01 ~ 2025.06.30						
0	Global Tek Fabrication Co. Ltd.	Global Tek (Xi'an) Co., Ltd.	1	Other revenue	\$(13,040)	Note 5	(0.52)%
0	Global Tek Fabrication Co. Ltd.	Global Tek (Xi'an) Co., Ltd.	1	Operating costs	121,435	No difference compared with general manufacturers	4.88%
0	Global Tek Fabrication Co. Ltd.	Global Tek (Xi'an) Co., Ltd.	1	Account payables	74,970	No difference compared with general manufacturers	0.76%
0	Global Tek Fabrication Co. Ltd.	Global Tek (Xi'an) Co., Ltd.	1	Other receivables	17,443	-	0.18%
0	Global Tek Fabrication Co. Ltd.	Global Tek Co., Ltd.	1	Other receivables	14,408	-	0.15%
0	Global Tek Fabrication Co. Ltd.	GLOBAL TEK 株式会社	1	Other receivables	4,467	-	0.05%
1	Global Tek (Xi'an) Co., Ltd.	Global Tek Metal Manufacturing (Shaanxi) Co., Ltd.	3	Accounts receivables	62,783	No difference compared with general client	0.64%
1	Global Tek (Xi'an) Co., Ltd.	Global Tek Metal Manufacturing (Shaanxi) Co., Ltd.	3	Account payables	9,486	No difference compared with general client	0.10%
2	Global Tek Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	3	Other receivables	7,392	-	0.08%
2	Global Tek Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	3	Account payables	281,950	No difference compared with general manufacturers	2.87%
2	Global Tek Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	3	Operating costs	339,177	No difference compared with general manufacturers	13.62%
2	Global Tek Co., Ltd.	Global Tek (Wuxi) Co., Ltd.	3	Other revenue	(13,748)	Note 6	(0.55)%
3	GLOBAL TEK AVIATION (THAI) CO., LTD.	GLOBAL TEK GROUP (THAI) CO., LTD.	3	Other receivables	51,357	-	0.52%

Note 1: Transaction information between Parent company and its subsidiaries should be disclosed by codes below:

- (1) Parent company is coded "0".
- (2) The subsidiaries are coded from "1" in the order presented in the table above.

Note 2: Relationship are divided into the following three types and the types are required to be indicated:

- (1) From the parent company to a subsidiary.
- (2) From a subsidiary to the parent company.
- (3) Between subsidiaries.

Note 3: Regarding the percentage of transaction amount to consolidated operating revenues or total assets, it is computed based on the ending balance to consolidated total assets for balance sheet items; and based on interim accumulated amount to consolidated net revenue for income statement items.

Note 4: The foreign currency amount is converted into NT dollars based on the exchange rate on the balance sheet date.

Note 5: Global Tek Fabrication Co., Ltd. purchases some production consumables on behalf of the mainland subsidiary.

Note 6: Global Tek Co., Ltd. purchases some production consumables on behalf of the mainland subsidiary.