

**Nuvoton Technology Corporation and
Subsidiaries**

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Nuvoton Technology Corporation

Introduction

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

Scope of Review

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

Conclusion

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

The engagement partners on the reviews resulting in this independent auditors' review report are Kuo-Tyan Hong and Shu-Lin Liu.

The image shows two handwritten signatures in black ink. The signature on the left is for Kuo-Tyan Hong, and the signature on the right is for Shu-Lin Liu. The signatures are fluid and cursive.

Deloitte & Touche
Taipei, Taiwan
Republic of China

October 31, 2025

Notice to Readers

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

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

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 9,584,045	29	\$ 5,703,893	19	\$ 5,272,042	17
Financial assets at fair value through profit or loss - current (Note 7)	414	-	-	-	8,903	-
Notes and accounts receivable, net (Note 8)	4,231,265	13	3,599,975	12	4,010,684	13
Accounts receivable from related parties, net (Notes 8 and 34)	8,038	-	4,294	-	2,196	-
Finance lease receivables - current (Notes 9 and 34)	-	-	22,506	-	47,561	-
Other receivables (Notes 10 and 34)	508,343	1	397,508	1	461,150	2
Inventories (Note 11)	6,187,987	19	7,125,739	24	6,759,078	22
Other current assets	541,671	2	749,352	2	503,555	2
Total current assets	<u>21,061,763</u>	<u>64</u>	<u>17,603,267</u>	<u>58</u>	<u>17,065,169</u>	<u>56</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 12)	841,265	3	1,465,106	5	1,500,481	5
Investments accounted for using equity method (Note 13)	1,881,629	6	1,887,907	6	1,940,589	6
Property, plant and equipment (Notes 14, 34 and 35)	5,981,269	18	6,186,683	20	6,492,847	21
Right-of-use assets (Notes 15 and 34)	472,348	1	489,822	2	519,989	2
Investment properties (Notes 16 and 35)	1,248,179	4	1,369,827	4	1,483,554	5
Intangible assets (Note 17)	762,008	2	768,933	3	888,882	3
Deferred tax assets (Note 4)	199,494	1	166,861	1	211,173	-
Refundable deposits (Notes 6, 34 and 35)	147,946	-	142,216	-	283,372	1
Other non-current assets	203,127	1	215,798	1	329,639	1
Total non-current assets	<u>11,737,265</u>	<u>36</u>	<u>12,693,153</u>	<u>42</u>	<u>13,650,526</u>	<u>44</u>
TOTAL	<u>\$ 32,799,028</u>	<u>100</u>	<u>\$ 30,296,420</u>	<u>100</u>	<u>\$ 30,715,695</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 19, 34 and 35)	\$ 3,992,520	12	\$ 2,119,990	7	\$ 1,022,580	3
Financial liabilities at fair value through profit or loss - current (Note 7)	18,108	-	38,033	-	2,705	-
Accounts payable	1,231,390	4	1,451,853	5	1,577,521	5
Accounts payable to related parties (Note 34)	923,581	3	1,044,983	3	923,156	3
Other payables (Notes 20 and 34)	3,229,503	10	3,612,048	12	4,318,014	14
Current tax liabilities (Note 4)	258,917	1	243,168	1	285,118	1
Lease liabilities - current (Notes 15 and 34)	155,269	-	164,023	-	166,257	1
Long-term borrowings, current portion (Notes 19 and 35)	-	-	285,714	1	285,714	1
Other current liabilities (Note 21)	1,162,903	4	1,471,041	5	521,302	2
Total current liabilities	<u>10,972,191</u>	<u>34</u>	<u>10,430,853</u>	<u>34</u>	<u>9,102,367</u>	<u>30</u>
NON-CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - non-current (Note 7)	4,352	-	-	-	-	-
Bonds payable (Notes 4 and 18)	4,837,786	15	-	-	-	-
Long-term borrowings (Note 19)	-	-	571,429	2	571,429	2
Provisions - non-current (Note 22)	1,635,193	5	1,870,076	6	2,063,827	7
Deferred tax liabilities (Note 4)	54,812	-	62,373	-	69,822	-
Lease liabilities - non-current (Notes 15 and 34)	329,897	1	337,069	1	368,697	1
Net defined benefit liabilities - non-current (Note 4)	1,006,073	3	1,044,114	4	1,196,816	4
Guarantee deposits (Notes 24 and 34)	78,803	-	264,495	1	1,168,087	4
Other non-current liabilities	63,397	-	52,974	-	73,135	-
Total non-current liabilities	<u>8,010,313</u>	<u>24</u>	<u>4,202,530</u>	<u>14</u>	<u>5,511,813</u>	<u>18</u>
Total liabilities	<u>18,982,504</u>	<u>58</u>	<u>14,633,383</u>	<u>48</u>	<u>14,614,180</u>	<u>48</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)						
Share capital	4,197,653	13	4,197,653	14	4,197,653	13
Capital surplus	7,099,820	22	6,997,593	23	6,997,593	23
Retained earnings						
Legal reserve	1,714,521	5	1,693,267	6	1,693,267	6
Special reserve	1,214,038	4	1,190,819	4	1,190,819	4
Unappropriated earnings	1,152,432	3	2,797,743	9	2,867,461	9
Exchange differences on translation of financial statements of foreign operations	(1,948,443)	(6)	(1,617,353)	(5)	(1,253,968)	(4)
Unrealized gains on financial assets at fair value through other comprehensive income	386,503	1	403,315	1	408,690	1
Total equity	<u>13,816,524</u>	<u>42</u>	<u>15,663,037</u>	<u>52</u>	<u>16,101,515</u>	<u>52</u>
TOTAL	<u>\$ 32,799,028</u>	<u>100</u>	<u>\$ 30,296,420</u>	<u>100</u>	<u>\$ 30,715,695</u>	<u>100</u>

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

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 26 and 34)	\$ 7,272,079	100	\$ 7,956,815	100	\$ 23,452,171	100	\$ 24,652,986	100
OPERATING COST (Notes 11, 28 and 34)	<u>4,675,204</u>	<u>64</u>	<u>4,984,954</u>	<u>62</u>	<u>14,676,455</u>	<u>62</u>	<u>15,325,785</u>	<u>62</u>
GROSS PROFIT	<u>2,596,875</u>	<u>36</u>	<u>2,971,861</u>	<u>38</u>	<u>8,775,716</u>	<u>38</u>	<u>9,327,201</u>	<u>38</u>
OPERATING EXPENSES (Notes 28 and 34)								
Selling expenses	249,460	3	262,405	3	753,146	3	733,777	3
General and administrative expenses	575,059	8	589,736	8	1,760,274	8	1,749,771	7
Research and development expenses	2,293,069	32	2,150,303	27	6,792,612	29	6,601,531	27
Expected credit loss (gain)	<u>(4,516)</u>	<u>-</u>	<u>1,142</u>	<u>-</u>	<u>14,191</u>	<u>-</u>	<u>9,162</u>	<u>-</u>
Total operating expenses	<u>3,113,072</u>	<u>43</u>	<u>3,003,586</u>	<u>38</u>	<u>9,320,223</u>	<u>40</u>	<u>9,094,241</u>	<u>37</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(516,197)</u>	<u>(7)</u>	<u>(31,725)</u>	<u>-</u>	<u>(544,507)</u>	<u>(2)</u>	<u>232,960</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES (Note 34)								
Finance costs	(49,636)	(1)	(12,026)	-	(140,848)	-	(32,148)	-
Share of profit of associates	32,439	-	5,132	-	27,831	-	57,565	-
Interest income	43,258	1	46,993	1	175,438	1	135,631	1
Dividend income	4,896	-	4,454	-	64,736	-	64,294	-
Other gains and losses	12,178	-	17,581	-	44,447	-	14,751	-
Gains (losses) on disposal of property, plant and equipment	186	-	(3,214)	-	(602)	-	13,839	-
Gains on disposal of intangible assets	-	-	-	-	1,073	-	-	-
Foreign exchange gains (losses)	111,069	2	(165,167)	(2)	(442,260)	(2)	(28,714)	-
Gains (losses) on financial assets at fair value through profit or loss	<u>(109,070)</u>	<u>(1)</u>	<u>102,500</u>	<u>1</u>	<u>31,963</u>	<u>-</u>	<u>(39,209)</u>	<u>-</u>
Total non-operating income and expenses	<u>45,320</u>	<u>1</u>	<u>(3,747)</u>	<u>-</u>	<u>(238,222)</u>	<u>(1)</u>	<u>186,009</u>	<u>1</u>
(LOSS) PROFIT BEFORE INCOME TAX	(470,877)	(6)	(35,472)	-	(782,729)	(3)	418,969	2
INCOME TAX EXPENSE (Notes 4 and 27)	<u>(42,592)</u>	<u>(1)</u>	<u>(69,983)</u>	<u>(1)</u>	<u>(187,925)</u>	<u>(1)</u>	<u>(136,706)</u>	<u>(1)</u>
NET (LOSS) PROFIT FOR THE PERIOD	<u>(513,469)</u>	<u>(7)</u>	<u>(105,455)</u>	<u>(1)</u>	<u>(970,654)</u>	<u>(4)</u>	<u>282,263</u>	<u>1</u>

(Continued)

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Note 25)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized (losses) gains on investments in equity instruments at fair value through other comprehensive income	\$ 34,300	1	\$ 6,513	-	\$ (561,090)	(2)	\$ 43,249	-
Income tax related to items that will not be reclassified subsequently to profit or loss	-	-	-	-	82,000	-	-	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	<u>242,647</u>	<u>3</u>	<u>757,378</u>	<u>9</u>	<u>(331,090)</u>	<u>(2)</u>	<u>302,292</u>	<u>2</u>
Other comprehensive (loss) income for the period, net of income tax	<u>276,947</u>	<u>4</u>	<u>763,891</u>	<u>9</u>	<u>(810,180)</u>	<u>(4)</u>	<u>345,541</u>	<u>2</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	<u>\$ (236,522)</u>	<u>(3)</u>	<u>\$ 658,436</u>	<u>8</u>	<u>\$ (1,780,834)</u>	<u>(8)</u>	<u>\$ 627,804</u>	<u>3</u>
(LOSSES) EARNINGS PER SHARE (Note 29)								
From continuing operations								
Basic	<u>\$ (1.22)</u>		<u>\$ (0.25)</u>		<u>\$ (2.31)</u>		<u>\$ 0.67</u>	
Diluted							<u>\$ 0.67</u>	

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

(Concluded)

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company					Other Equity		Total Equity
	Ordinary Share	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	
			Legal Reserve	Special Reserve				
BALANCE AT JANUARY 1, 2024	\$ 4,197,653	\$ 6,995,630	\$ 1,447,316	\$ 710,979	\$ 4,570,285	\$ (1,556,260)	\$ 365,441	\$ 16,731,044
Appropriation of 2023 earnings (Note 25)								
Legal reserve	-	-	245,951	-	(245,951)	-	-	-
Special reserve	-	-	-	479,840	(479,840)	-	-	-
Cash dividends	-	-	-	-	(1,259,296)	-	-	(1,259,296)
Net profit for the nine months ended September 30, 2024	-	-	-	-	282,263	-	-	282,263
Other comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	302,292	43,249	345,541
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	282,263	302,292	43,249	627,804
Unclaimed dividends from claims extinguished by prescriptions	-	20	-	-	-	-	-	20
Share-based payment transaction (Note 30)	-	1,943	-	-	-	-	-	1,943
BALANCE AT SEPTEMBER 30, 2024	<u>\$ 4,197,653</u>	<u>\$ 6,997,593</u>	<u>\$ 1,693,267</u>	<u>\$ 1,190,819</u>	<u>\$ 2,867,461</u>	<u>\$ (1,253,968)</u>	<u>\$ 408,690</u>	<u>\$ 16,101,515</u>
BALANCE AT JANUARY 1, 2025	\$ 4,197,653	\$ 6,997,593	\$ 1,693,267	\$ 1,190,819	\$ 2,797,743	\$ (1,617,353)	\$ 403,315	\$ 15,663,037
Appropriation of 2024 earnings (Note 25)								
Legal reserve	-	-	21,254	-	(21,254)	-	-	-
Special reserve	-	-	-	23,219	(23,219)	-	-	-
Cash dividends	-	-	-	-	(167,906)	-	-	(167,906)
Net loss for the nine months ended September 30, 2025	-	-	-	-	(970,654)	-	-	(970,654)
Other comprehensive loss for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	(331,090)	(479,090)	(810,180)
Total comprehensive loss for the nine months ended September 30, 2025	-	-	-	-	(970,654)	(331,090)	(479,090)	(1,780,834)
Changes in ownership interests in subsidiaries	-	(10,804)	-	-	-	-	-	(10,804)
Equity component of convertible issuance of bonds	-	112,804	-	-	-	-	-	112,804
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(462,278)	-	462,278	-
Unclaimed dividends from claims extinguished by prescriptions	-	227	-	-	-	-	-	227
BALANCE AT SEPTEMBER 30, 2025	<u>\$ 4,197,653</u>	<u>\$ 7,099,820</u>	<u>\$ 1,714,521</u>	<u>\$ 1,214,038</u>	<u>\$ 1,152,432</u>	<u>\$ (1,948,443)</u>	<u>\$ 386,503</u>	<u>\$ 13,816,524</u>

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

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) profit before income tax	\$ (782,729)	\$ 418,969
Adjustments for:		
Depreciation expense	1,077,517	917,860
Amortization expense	256,637	261,241
Finance costs	140,848	32,148
Expected credit loss recognized on accounts receivable	14,191	9,162
Interest income	(175,438)	(135,631)
Dividend income	(64,736)	(64,294)
Compensation costs of share-based payment transaction	-	1,943
Share of profit of associates	(27,831)	(57,565)
Losses (gains) on disposal of property, plant and equipment	602	(13,839)
Gains on disposal of intangible assets	(1,073)	-
Gains on lease modification	(2,478)	(8,550)
Government grants	(40,781)	-
Other gains and losses	-	1,978
Changes in operating assets and liabilities		
(Increase) decrease in financial assets at fair value through profit or loss	(24,289)	13,076
(Increase) decrease in notes and accounts receivable	(680,484)	(244,733)
(Increase) decrease in accounts receivable from related parties	(3,744)	27,327
(Increase) decrease in other receivables	(128,368)	(41,610)
(Increase) decrease in inventories	937,752	997,288
(Increase) decrease in other current assets	161,633	(34,940)
(Increase) decrease in other non-current assets	12,671	30,010
Increase (decrease) in accounts payable	(174,415)	273,114
Increase (decrease) in accounts payable to related parties	(121,402)	144,996
Increase (decrease) in other payables	(417,622)	43,473
Increase (decrease) increase in provisions	(207,324)	(214,027)
Increase (decrease) in other current liabilities	(438,674)	(268,377)
Increase (decrease) in net defined benefit liabilities	(2,966)	(191,455)
Increase (decrease) in other non-current liabilities	10,423	15,853
Cash flows (used in) generated from operations	(682,080)	1,913,417
Interest received	176,424	139,054
Interest paid	(64,551)	(30,089)
Income tax paid	(133,150)	(161,394)
Dividend received	64,736	64,294
	<u>(638,621)</u>	<u>1,925,282</u>
Net cash flows (used in) generated from operating activities	<u>(638,621)</u>	<u>1,925,282</u>

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NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	\$ 800	\$ 450
Acquisition of financial assets at fair value through other comprehensive income	(111,346)	(30,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	164,847	-
Decrease in finance lease receivables	23,989	68,455
Acquisition of property, plant and equipment	(713,985)	(1,234,640)
Proceeds from disposal of property, plant and equipment	1,442	18,633
Acquisition of intangible assets	(230,114)	(311,415)
Increase in refundable deposits	(5,820)	(3,084)
Decrease (increase) in other receivables - time deposits	802	(170)
Proceeds from government grants	<u>54,000</u>	<u>-</u>
Net cash flows used in investing activities	<u>(815,385)</u>	<u>(1,491,771)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	22,249,740	5,195,720
Repayments of short-term borrowings	(20,320,890)	(5,251,870)
Proceeds from issuance of bonds	4,883,290	-
Repayments of long-term borrowings	(857,143)	(142,857)
Repayments of the principal portion of lease liabilities	(138,512)	(143,798)
Proceeds from (repayments of) guarantee deposits received	5,533	(24,720)
Dividends paid to owners of the Company	<u>(167,906)</u>	<u>(1,259,296)</u>
Net cash flows generated from (used in) financing activities	<u>5,654,112</u>	<u>(1,626,821)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(319,954)</u>	<u>139,958</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,880,152	(1,053,352)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>5,703,893</u>	<u>6,325,394</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 9,584,045</u>	<u>\$ 5,272,042</u>

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

(Concluded)

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Nuvoton Technology Corporation (the “Company”) was incorporated in the Republic of China (“ROC”) in April 2008 and commenced business in July 2008. The Company is engaged mainly in the research, design, development, manufacture, and sale of logic integrated circuits (“ICs”) and the manufacturing, testing and OEM of 6-inch wafers.

For the specialization and division of labor and the reinforcement of core competitive ability, the Company’s parent company, Winbond Electronics Corporation (WEC), spun off its Logic IC business into the Company on July 1, 2008 in accordance with the Business Mergers and Acquisitions Act and the Company commenced business in July 2008. WEC held approximately 53%, 52% and 52% of the ownership interest in the Company as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The Company’s shares have been listed on the Taiwan Stock Exchange since September 27, 2010.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s Board of Directors and authorized for issue on October 31, 2025.

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

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

Amendments to IAS 21 “Lack of Exchangeability”

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

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

1) The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- a) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- b) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- c) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

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

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027

Note 1: Unless stated otherwise, the above-mentioned IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosures in Financial Statements”

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

- 1) Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- 2) The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- 3) Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- 4) Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. The consolidated financial statements do not present all disclosures required for a complete set of annual consolidated financial statements under the IFRS Accounting Standards as endorsed and issued into effect by the FSC.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets, that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Subsidiary included in the consolidated financial statements:

Investor	Investee	Main Business	Percentage of Ownership (%)		
			September 30, 2025	December 31, 2024	September 30, 2024
The Company	Nuvoton Electronics Technology (H.K.) Limited (“NTHK”)	Sales of semiconductor	100	100	100
	Marketplace Management Limited (“MML”) (Note 4)	Investment holding	-	100	100
	Nuvoton Investment Holding Ltd. (“NIH”)	Investment holding	100	100	100
	Song Yong Investment Corporation (“SYI”)	Investment holding	100	100	100
	Nuvoton Technology India Private Limited (“NTIPL”)	Design, sales and after-sales service of semiconductor	100	100	100
	Nuvoton Technology Corporation America (“NTCA”)	Design, sales and after-sales service of semiconductor	100	100	100
	Nuvoton Technology Holdings Japan (“NTHJ”)	Investment holding	100	100	100
	Nuvoton Technology Singapore Pte. Ltd. (“NTSG”)	Design, sales and after-sales service of semiconductor	100	100	100
	Nuvoton Technology Korea Limited (“NTKL”)	Design, sales and after-sales service of semiconductor	100	100	100
	Nuvoton Technology Germany GmbH (“NTG”)	Customer service and technical support of semiconductor	100	100	100
NTHK	Nuvoton Technology Corporation Japan (“NTCJ”) (Note 5)	Design, sales and after-sales service of semiconductor	24	-	-
	Nuvoton Electronics Technology (Shenzhen) Limited (“NTSZ”)	Computer software service (except I.C. design), wholesale business for computer, supplement and software	100	100	100
	Nuvoton Electronics Technology (Nanjing) Limited (“NTNJ”)	Provides development of semiconductor and technology, consult service and sales	100	100	100
MML GLLC	Nuvoton Electronics Technology (Shanghai) Limited (“NTSH”) (Note 1)	Provides projects for sale in China and repairing, testing and consulting of software and leasing business	100	100	100
	Goldbond LLC (“GLLC”) (Note 2)	Investment holding	-	-	100
NTSH	Nuvoton Electronics Technology (Shanghai) Limited (“NTSH”) (Note 1)	Provides projects for sale in China and repairing, testing and consulting of software and leasing business	-	-	-
	Song Zhi Electronics Technology (Suzhou) (“Song Zhi Suzhou”) (Note 3)	Provide development of semiconductor and technology, consult service and equipment leasing business	-	-	100
NIH	Nuvoton Technology Israel Ltd. (“NTIL”)	Design and service of semiconductor	100	100	100
NTHJ	Nuvoton Technology Corporation Japan (“NTCJ”) (Note 5)	Design, sales and after-sales service of semiconductor	76	100	100

Note 1: GLLC sold 100% ownership of NTSH to NTHK in May 2024. This equity transaction was deemed as a structure reorganization.

Note 2: GLLC completed the deregistration and liquidation process in December 2024.

Note 3: Song Zhi Suzhou has completed the deregistration and liquidation process in October 2024.

Note 4: MML completed the deregistration and liquidation process in September 2025.

Note 5: In September 2025, NTCJ completed a cash capital injection that was fully subscribed by the Company, resulting in the Company acquiring a 24% equity interest and reducing NTHJ's ownership in NTCJ to 76%.

Other Material Accounting Policies

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

a. Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

b. Retirement 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 for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

c. Income tax expense

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

d. Financial Instruments

Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of inflation, interest rate fluctuations and US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the management.

Material accounting judgments and key sources of estimation uncertainty are as below:

Write-down of Inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash and deposits in banks	\$ 9,134,045	\$ 5,628,893	\$ 4,932,142
Repurchase agreements collateralized by bonds	<u>450,000</u>	<u>75,000</u>	<u>339,900</u>
	<u>\$ 9,584,045</u>	<u>\$ 5,703,893</u>	<u>\$ 5,272,042</u>

- a. Please refer to Note 35 to the consolidated financial statements for the amount of refundable deposits pledged to secure land leases and customs tariff obligations.
- b. The Group has time deposits which are not held for the purpose of meeting short-term cash commitments and are reclassified to "other receivables" as follows (Note 10 to the consolidated financial statements):

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits	<u>\$ 6,860</u>	<u>\$ 7,662</u>	<u>\$ 7,554</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets - current</u>			
Held for trading			
Foreign exchange forward contracts	\$ <u>414</u>	\$ <u>-</u>	\$ <u>8,903</u>
<u>Financial liabilities - current</u>			
Held for trading			
Foreign exchange forward contracts	\$ <u>18,108</u>	\$ <u>38,033</u>	\$ <u>2,705</u>
<u>Financial liabilities - non-current</u>			
Held for trading			
Redemption and put option of convertible bonds (Note 18)	\$ <u>4,352</u>	\$ <u>-</u>	\$ <u>-</u>

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

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>September 30, 2025</u>			
Sell forward exchange contracts	USD/NTD	2025.10.09-2025.11.21	USD52,000/NTD1,574,880
	USD/JPY	2025.10.14-2025.11.14	USD30,300/JPY4,445,273
<u>December 31, 2024</u>			
Sell forward exchange contracts	USD/NTD	2025.01.21-2025.02.21	USD13,500/NTD436,277
	USD/JPY	2025.01.14-2025.02.14	USD27,300/JPY4,149,572
<u>September 30, 2024</u>			
Sell forward exchange contracts	USD/NTD	2024.10.04-2024.10.22	USD6,000/NTD191,691
	USD/JPY	2024.10.11-2024.11.14	USD29,000/JPY4,145,998

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. These foreign exchange forward contracts did not meet the criteria for hedge accounting, therefore, the Group did not apply hedge accounting treatment.

8. NOTES AND ACCOUNTS RECEIVABLE, NET

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 4,401	\$ -	\$ -
<u>Accounts receivable (including related parties)</u>			
At amortized cost			
Gross carrying amount	\$ 4,292,789	\$ 3,650,155	\$ 4,066,329
Less: Allowance for impairment loss	(57,887)	(45,886)	(53,449)
	<u>\$ 4,234,902</u>	<u>\$ 3,604,269</u>	<u>\$ 4,012,880</u>

The average credit period of sales of goods was 30-60 days. No interest was charged on accounts receivable. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the customer and the customer's current financial position, adjusted for economic conditions of the industry in which the customer operates, as well as the GDP forecast and industry outlooks. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

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

The following table details the loss allowance of accounts receivable (including related parties) based on the Group's provision matrix.

September 30, 2025

	Not Overdue	Overdue under 30 Days	Overdue 31 to 90 Days	Overdue 91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%	
Gross carrying amount	\$ 4,279,653	\$ 13,008	\$ -	\$ -	\$ 128	\$ 4,292,789
Loss allowance (lifetime ECL)	<u>(57,563)</u>	<u>(260)</u>	<u>-</u>	<u>-</u>	<u>(64)</u>	<u>(57,887)</u>
Amortized cost	<u>\$ 4,222,090</u>	<u>\$ 12,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64</u>	<u>\$ 4,234,902</u>

December 31, 2024

	Not Overdue	Overdue under 30 Days	Overdue 31 to 90 Days	Overdue 91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%	
Gross carrying amount	\$ 3,641,139	\$ 5,756	\$ 1,076	\$ 796	\$ 1,388	\$ 3,650,155
Loss allowance (lifetime ECL)	<u>(44,810)</u>	<u>(115)</u>	<u>(108)</u>	<u>(159)</u>	<u>(694)</u>	<u>(45,886)</u>
Amortized cost	<u>\$ 3,596,329</u>	<u>\$ 5,641</u>	<u>\$ 968</u>	<u>\$ 637</u>	<u>\$ 694</u>	<u>\$ 3,604,269</u>

September 30, 2024

	Not Overdue	Overdue under 30 Days	Overdue 31 to 90 Days	Overdue 91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%	
Gross carrying amount	\$ 4,054,497	\$ 9,240	\$ 608	\$ 1,691	\$ 293	\$ 4,066,329
Loss allowance (lifetime ECL)	<u>(52,718)</u>	<u>(185)</u>	<u>(61)</u>	<u>(338)</u>	<u>(147)</u>	<u>(53,449)</u>
Amortized cost	<u>\$ 4,001,779</u>	<u>\$ 9,055</u>	<u>\$ 547</u>	<u>\$ 1,353</u>	<u>\$ 146</u>	<u>\$ 4,012,880</u>

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

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 45,886	\$ 43,729
Add: Net remeasurement of loss allowance	14,191	9,162
Foreign currency exchange gains and losses	<u>(2,190)</u>	<u>558</u>
Balance at September 30	<u>\$ 57,887</u>	<u>\$ 53,449</u>

The Group's provision for losses on accounts receivable was recognized on a collective basis.

9. FINANCE LEASE RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Undiscounted lease payments</u>			
Year 1	\$ -	\$ 22,610	\$ 47,892
Less: Unearned finance income	<u>-</u>	<u>(104)</u>	<u>(331)</u>
Finance lease receivables	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 47,561</u>
Current	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 47,561</u>

The average lease term of finance lease receivables recognized by the Group from TPSCo. for the lease of property, plant and equipment and intangible assets is three years. The contract has an average implied interest rate of approximately 1.85% per annum in 2024. Refer to Note 34 to the consolidated financial statements for details finance lease contracts.

10. OTHER RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
Business tax refund receivable	\$ 232,130	\$ 262,065	\$ 318,256
Tax refund receivables	17,827	15,047	12,734
Time deposits (Note 6)	6,860	7,662	7,554
Others	<u>251,526</u>	<u>112,734</u>	<u>122,606</u>
	<u>\$ 508,343</u>	<u>\$ 397,508</u>	<u>\$ 461,150</u>

11. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials and supplies	\$ 707,127	\$ 680,038	\$ 668,560
Work in process	3,764,272	4,412,603	4,373,236
Finished goods	1,711,008	1,987,820	1,717,282
Inventories in transit	<u>5,580</u>	<u>45,278</u>	<u>-</u>
	<u>\$ 6,187,987</u>	<u>\$ 7,125,739</u>	<u>\$ 6,759,078</u>

The operating cost for the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024 were NT\$4,675,204 thousand, NT\$4,984,954 thousand, NT\$14,676,455 thousand and NT\$15,325,785 thousand, respectively. The net (losses) gains of inventory write-downs, obsolescence and abandonment of inventories for the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024 were NT\$103,195 thousand, NT\$(48,098) thousand, NT\$106,581 thousand and NT\$126,361 thousand, respectively.

Inventory write-downs for the three months ended September 30, 2025 and the nine months ended September 30, 2025 and 2024 were reversed as a result of the elimination of inventories that were recognized in inventory write-downs.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in equity instruments at FVTOCI:

	September 30, 2025	December 31, 2024	September 30, 2024
Listed shares and emerging market shares			
Nyquest Technology Co., Ltd.	\$ 59,400	\$ 82,170	\$ 105,600
Brightek Optoelectronic Co., Ltd.	1,469	1,706	1,524
Progress Technologies Group Inc.	67,436	-	-
Unlisted shares			
United Industrial Gases Co., Ltd.	651,200	580,800	589,600
Yu-Ji Venture Capital Co., Ltd.	5,510	6,517	5,382
Autotalks Ltd. - Preferred E. Share	-	737,663	712,125
Allxon Inc.	56,250	56,250	56,250
AionChip Technologies Co., Ltd.	-	-	30,000
Symetrix Corporation - Preferred A. Share	-	-	-
	<u>\$ 841,265</u>	<u>\$ 1,465,106</u>	<u>\$ 1,500,481</u>

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

In September 2024, The Company executes the Autotalks Ltd. stock warrants conversion to acquire 257 thousand preferred shares and expected to profit through long-term investments. Therefore, it was reclassified from financial assets at fair value through profit or loss to financial assets at fair value through other comprehensive income.

The Company previously held 4,190 thousand preferred shares of Autotalks Ltd. In June 2025, Autotalks Ltd. was acquired by Qualcomm Technologies, Inc., and the Company disposed of its entire shareholding for a total consideration of NT\$164,847 thousand. The related unrealized loss of NT\$462,278 thousand, previously recognized under other equity as financial assets measured at fair value through other comprehensive income was reclassified to retained earnings upon disposal. Furthermore, pursuant to the terms of the acquisition agreement, the Company is entitled to receive contingent consideration should Autotalks Ltd. satisfy certain employee retention or product-related technological milestones.

The Company acquired 1,650 thousand ordinary shares of AionChip Technologies Co., Ltd. for NT\$30,000 thousand in May 2024, with a 8.25% ownership interest, additionally, in December 2024, the entire equity was disposed of for NT\$30,000 thousand.

In March 2025, NTCJ acquired 256 thousand ordinary shares of Progress Technologies Group Inc. for NT\$111,346 thousand, representing a 3.3% ownership interest.

The Group recognized dividend income of NT\$4,896 thousand, NT\$4,454 thousand, NT\$64,736 thousand and NT\$64,294 thousand for the three months ended and nine months ended September 30, 2025 and 2024, respectively.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in Associates

	September 30, 2025	December 31, 2024	September 30, 2024
Tower Partners Semiconductor Co., Ltd. ("TPSCo.")	<u>\$ 1,881,629</u>	<u>\$ 1,887,907</u>	<u>\$ 1,940,589</u>

As of September 30, 2025, December 31, 2024 and September 30, 2024, NTCJ held 49,539 shares of TPSCo., representing a direct shareholding of 49%.

The equity method of investment and the Groups' share of profit or loss of the investment was calculated based on the associate's financial statement which has been reviewed by independent auditors for the respective period.

14. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 1,708,613	\$ 1,741,973	\$ 1,842,865
Buildings	1,735,393	1,777,681	1,883,148
Machinery and equipment	2,115,462	1,628,182	1,681,257
Other equipment	351,429	322,343	334,542
Construction in progress and prepayments for purchase of equipment	<u>70,372</u>	<u>716,504</u>	<u>751,035</u>
	<u>\$ 5,981,269</u>	<u>\$ 6,186,683</u>	<u>\$ 6,492,847</u>

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Purchase of Equipment	Total
<u>Cost</u>						
Balance at January 1, 2025	\$ 1,741,973	\$ 19,141,400	\$ 40,893,571	\$ 3,080,874	\$ 716,504	\$ 65,574,322
Additions	-	34,093	128,888	31,608	545,693	740,282
Disposals	-	(47,619)	(45,900)	(223,619)	-	(317,138)
Reclassified	-	87,491	983,478	155,383	(1,226,352)	-
Effects of foreign currency exchange differences	<u>(33,360)</u>	<u>(300,138)</u>	<u>(630,363)</u>	<u>(41,934)</u>	<u>34,527</u>	<u>(971,268)</u>
Balance at September 30, 2025	<u>1,708,613</u>	<u>18,915,227</u>	<u>41,329,674</u>	<u>3,002,312</u>	<u>70,372</u>	<u>65,026,198</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2025	-	17,363,719	39,265,389	2,758,531	-	59,387,639
Disposals	-	(47,181)	(45,358)	(222,555)	-	(315,094)
Depreciation expense	-	135,005	556,203	150,486	-	841,694
Effects of foreign currency exchange differences	<u>-</u>	<u>(271,709)</u>	<u>(562,022)</u>	<u>(35,579)</u>	<u>-</u>	<u>(869,310)</u>
Balance at September 30, 2025	<u>-</u>	<u>17,179,834</u>	<u>39,214,212</u>	<u>2,650,883</u>	<u>-</u>	<u>59,044,929</u>
Carrying amounts at September 30, 2025	<u>\$ 1,708,613</u>	<u>\$ 1,735,393</u>	<u>\$ 2,115,462</u>	<u>\$ 351,429</u>	<u>\$ 70,372</u>	<u>\$ 5,981,269</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress and Prepayments for Purchase of Equipment	Total
<u>Cost</u>						
Balance at January 1, 2024	\$ 1,801,369	\$ 19,481,913	\$ 44,016,907	\$ 3,072,159	\$ 338,900	\$ 68,711,248
Additions	-	49,473	130,299	28,709	1,046,676	1,255,157
Disposals	-	(34,752)	(1,562,435)	(56,211)	-	(1,653,398)
Reclassified	-	184,772	336,955	140,850	(664,503)	(1,926)
Effects of foreign currency exchange differences	41,496	373,585	714,973	64,040	29,962	1,224,056
Balance at September 30, 2024	<u>1,842,865</u>	<u>20,054,991</u>	<u>43,636,699</u>	<u>3,249,547</u>	<u>751,035</u>	<u>69,535,137</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2024	-	17,741,117	42,421,467	2,762,967	-	62,925,551
Disposals	-	(33,675)	(1,559,778)	(55,151)	-	(1,648,604)
Depreciation expense	-	127,080	411,843	144,711	-	683,634
Effects of foreign currency exchange differences	-	337,321	681,910	62,478	-	1,081,709
Balance at September 30, 2024	<u>-</u>	<u>18,171,843</u>	<u>41,955,442</u>	<u>2,915,005</u>	<u>-</u>	<u>63,042,290</u>
Carrying amounts at September 30, 2024	<u>\$ 1,842,865</u>	<u>\$ 1,883,148</u>	<u>\$ 1,681,257</u>	<u>\$ 334,542</u>	<u>\$ 751,035</u>	<u>\$ 6,492,847</u>

(Concluded)

For the nine months ended September 30, 2024, the reclassification of property, plant and equipment includes transfers from construction in progress and prepayments for purchase of equipment to expenses of a decrease of NT\$1,926 thousand.

Refer to Note 35 to the consolidated financial statements for the amount of property, plant and equipment pledged as collateral for bank borrowings.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amounts</u>			
Land	\$ 85,968	\$ 107,516	\$ 108,580
Buildings	244,882	256,023	275,441
Machinery and equipment	92,993	103,214	112,266
Other equipment	<u>48,505</u>	<u>23,069</u>	<u>23,702</u>
	<u>\$ 472,348</u>	<u>\$ 489,822</u>	<u>\$ 519,989</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Additions to right-of-use assets	\$ <u>2,895</u>	\$ <u>24,869</u>	\$ <u>130,083</u>	\$ <u>156,844</u>
Depreciation for right-of-use assets				
Land	\$ 6,297	\$ 6,381	\$ 18,890	\$ 19,145
Buildings	32,481	31,658	96,854	94,555
Machinery and equipment	2,700	2,882	8,404	8,600
Other equipment	<u>5,235</u>	<u>4,619</u>	<u>15,154</u>	<u>14,121</u>
	\$ <u>46,713</u>	\$ <u>45,540</u>	\$ <u>139,302</u>	\$ <u>136,421</u>
Income from the subleasing of right-of-use assets (presented in other income)	\$ <u>1,572</u>	\$ <u>2,536</u>	\$ <u>6,543</u>	\$ <u>7,228</u>

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amounts</u>			
Current	\$ <u>155,269</u>	\$ <u>164,023</u>	\$ <u>166,257</u>
Non-current	\$ <u>329,897</u>	\$ <u>337,069</u>	\$ <u>368,697</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	1.76%-2.06%	1.76%-2.06%	1.76%-2.06%
Buildings	0.14%-6.53%	0.14%-7.46%	0.14%-7.46%
Machinery and equipment	0.48%-0.80%	0.48%-0.80%	0.48%-0.80%
Other equipment	0.14%-5.23%	0.14%-5.23%	0.14%-5.10%

For the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024, the interest expense under lease liabilities amounted to NT\$2,306 thousand, NT\$2,980 thousand, NT\$8,597 thousand and NT\$8,729 thousand, respectively.

c. Material lease-in activities and terms

The Company leased parcels of land from Science Park Administration, and the lease term will expire in December 2027, which can be extended after the expiration of the lease periods.

The Company leased parcels of land from Taiwan Sugar Corporation under a twenty-year term from October 2014 to September 2034, which is allowed to extend after the expiration of lease. The chairman of the Company, is a joint guarantor of such lease (refer to Note 34 to the consolidated financial statements).

The Group leased some of the offices spaces in the United States, China, Israel, India, Korea, Hong Kong and Taiwan, and the lease terms will expire between 2025 and 2032 which can be extended after the expiration of the lease periods.

d. Subleases

The Group subleases its right-of-use assets for buildings under operating leases. The maturity analysis of lease payments receivable under operating subleases is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Year 1	\$ 6,308	\$ 7,889	\$ 7,428
Year 2	6,308	6,641	6,435
Year 3	1,083	4,667	4,485
Year 4	-	-	1,121
Year 5	-	-	-
Year 5 onwards	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,699</u>	<u>\$ 19,197</u>	<u>\$ 19,469</u>

To reduce the residual asset risk related to the subleased asset at the end of the relevant sublease, the lease contract between the Group and the lessee includes the receipt of the deposits and the compensation for damage due to the lack of management and maintenance.

e. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 14,987</u>	<u>\$ 19,237</u>	<u>\$ 51,429</u>	<u>\$ 61,013</u>
Total cash outflow for leases			<u>\$ (197,380)</u>	<u>\$ (211,389)</u>

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

16. INVESTMENT PROPERTIES

	September 30, 2025	December 31, 2024	September 30, 2024
Investment properties, net	<u>\$ 1,248,179</u>	<u>\$ 1,369,827</u>	<u>\$ 1,483,554</u>

The fair value of investment properties held by the company was NT\$2,397,194 thousand as of December 31, 2024, of which were assessed by independent qualified professional appraisers was NT\$2,197,194 thousand. The Group's management evaluated the fair value of the remaining investment properties with valuation model commonly used by market participants, and the fair value was measured using Level 3 inputs. The Group's management evaluated and determined that the fair value of the investment properties had not changed significantly, compared to the fair value of the investment properties as of September 30, 2025.

	For the Nine Months Ended September 30	
	2025	2024
<u>Cost</u>		
Balance at January 1	\$ 6,931,676	\$ 7,165,730
Effects of foreign currency exchange differences	<u>(138,133)</u>	<u>170,415</u>
Balance at September 30	<u>6,793,543</u>	<u>7,336,145</u>
<u>Accumulated depreciation and impairment</u>		
Balance at January 1	5,561,849	5,616,730
Depreciation expense	96,521	97,805
Effects of foreign currency exchange differences	<u>(113,006)</u>	<u>138,056</u>
Balance at September 30	<u>5,545,364</u>	<u>5,852,591</u>
Carrying amount at September 30	<u>\$ 1,248,179</u>	<u>\$ 1,483,554</u>

The investment properties were leased out for 3 to 12 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The analysis of lease payments receivable under operating leases of investment properties was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Year 1	\$ 139,566	\$ 142,541	\$ 150,611
Year 2	136,064	140,872	149,937
Year 3	134,118	138,535	146,565
Year 4	132,741	136,042	144,842
Year 5	132,741	135,386	143,384
Year 5 onwards	<u>199,111</u>	<u>304,617</u>	<u>358,458</u>
	<u>\$ 874,341</u>	<u>\$ 997,993</u>	<u>\$ 1,093,797</u>

To reduce the residual asset risk related to the subleased asset at the end of the relevant sublease, the lease contract between the Group and the lessee includes the receipt of the deposits and the compensation for damage due to the lack of management and maintenance.

Please refer to Note 35 to the consolidated financial statements for the amount of investment properties pledged as collateral for bank borrowings.

17. INTANGIBLE ASSETS

	September 30, 2025	December 31, 2024	September 30, 2024
Deferred technical assets	\$ 588,788	\$ 597,913	\$ 688,340
Other intangible assets	<u>173,220</u>	<u>171,020</u>	<u>200,542</u>
	<u>\$ 762,008</u>	<u>\$ 768,933</u>	<u>\$ 888,882</u>
	Deferred Technical Assets	Other Intangible Assets	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 2,651,311	\$ 1,083,433	\$ 3,734,744
Additions	217,948	50,116	268,064
Disposals	(51,255)	(212,921)	(264,176)
Effects of foreign currency exchange differences	<u>1,970</u>	<u>2,669</u>	<u>4,639</u>
Balance at September 30, 2025	<u>2,819,974</u>	<u>923,297</u>	<u>3,743,271</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2025	2,053,398	912,413	2,965,811
Amortization expense	202,093	45,547	247,640
Disposals	(24,773)	(212,840)	(237,613)
Effects of foreign currency exchange differences	<u>468</u>	<u>4,957</u>	<u>5,425</u>
Balance at September 30, 2025	<u>2,231,186</u>	<u>750,077</u>	<u>2,981,263</u>
Carrying amounts at September 30, 2025	<u>\$ 588,788</u>	<u>\$ 173,220</u>	<u>\$ 762,008</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 2,125,404	\$ 1,102,150	\$ 3,227,554
Additions	507,448	88,967	596,415
Disposals	-	(57,884)	(57,884)
Reclassification	17,918	(17,970)	(52)
Effects of foreign currency exchange differences	<u>3,042</u>	<u>19,324</u>	<u>22,366</u>
Balance at September 30, 2024	<u>2,653,812</u>	<u>1,134,587</u>	<u>3,788,399</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2024	1,767,410	909,250	2,676,660
Amortization expense	193,965	67,276	261,241
Disposals	-	(57,884)	(57,884)
Effects of foreign currency exchange differences	<u>4,097</u>	<u>15,403</u>	<u>19,500</u>
Balance at September 30, 2024	<u>1,965,472</u>	<u>934,045</u>	<u>2,899,517</u>
Carrying amounts at September 30, 2024	<u>\$ 688,340</u>	<u>\$ 200,542</u>	<u>\$ 888,882</u>

18. BONDS PAYABLE

	September 30, 2025	December 31, 2024	September 30, 2024
Overseas convertible bonds	\$ <u>4,837,786</u>	\$ <u>-</u>	\$ <u>-</u>

In November 2024, the Board of Directors resolved to issued the 2024 First Overseas Unsecured Convertible Bonds. On January 21, 2025, the Company publicly offered five-year unsecured zero-coupon convertible bonds on the Singapore Exchange, with a total principal amount of US\$150 million and a denomination of US\$200 thousand per bond. The principal terms of the issuance are as follows:

- a. Bondholders may request the Company to convert the bonds into ordinary shares of the Company at the conversion price of NT\$118.68 per share, at any time the day following three months after the issuance date until ten days prior to the maturity date, or five days prior to the exercise date of the put option or the issuer's call option. The conversion price will be adjusted according to the anti-dilution clause of the 2024 First Overseas Unsecured Convertible Bonds Issuance and Conversion Rules of the Company. The conversion shall be calculated using a fixed exchange rate of US\$1=NT\$32.917, divided by the conversion price per share on the conversion date. Since the Company distributed cash dividends in August 2025, the conversion price should be adjusted according to the issuance and conversion measures, so the conversion price has been adjusted to NT\$118.02 since August 3, 2025.
- b. From the day following three months after the issuance date until the maturity date, if the closing price of the Company's common shares listed on the Taiwan Stock Exchange equals or exceeds 130% of the prevailing conversion price for at least 20 trading days within any 30 consecutive business days, the Company may redeem all outstanding bonds in cash at their principal amount.
- c. On or after the third anniversary of the issuance date, bondholders may request the Company to redeem all or part of their bonds. The repurchase price shall be the principal amount plus interest compensation calculated at an annual rate of 1.55%, compounded semiannually.
- d. Except for the bonds that have been redeemed, repurchased, converted or bought back and cancelled by the Company in the market, all outstanding bonds shall be redeemed at maturity in U.S. dollars at their face value plus a yield calculated at an annual interest rate of 1.55%, compounded semiannually. The redemption amount will be converted into New Taiwan Dollars using the fixed exchange rate of NT\$32.917 to US\$1, and then reconverted into U.S. dollars based on the prevailing exchange rate at the time of redemption.
- e. The effective interest rate of the convertible bonds liability component was 2.29% per annum on initial recognition.

Proceeds from issuance (less transaction costs of NT\$54,260 thousand)	\$ 4,883,290
Equity component (less transaction costs of NT\$1,253 thousand)	(112,804)
Redemption and put option derivative (recognized as financial liability at fair value through profit or loss) (less transaction costs of NT\$92 thousand)	(8,302)
Interest charged at an effective interest rate of 2.29%	<u>75,602</u>
Liability component at September 30, 2025	<u>\$ 4,837,786</u>

19. BORROWINGS

a. Short-term borrowings

	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount
<u>Secured borrowings</u>						
Chinatrust Commercial Bank Co., Ltd.	2.02%	\$ 2,757,720	1.55%- 1.70%	\$ 1,490,290	1.41%- 1.54%	\$ 1,022,580
Sumitomo Mitsui Banking Corporation	1.37%	411,600	-	-	-	-
<u>Unsecured borrowings</u>						
Mizuho Bank	1.35%	411,600	1.17%	293,860	-	-
Sumitomo Mitsui Banking Corporation	-	-	1.18%- 1.25%	335,840	-	-
Chinatrust Commercial Bank Co., Ltd.	1.40%	<u>411,600</u>	-	<u>-</u>	-	<u>-</u>
		<u>\$ 3,992,520</u>		<u>\$ 2,119,990</u>		<u>\$ 1,022,580</u>

To repay outstanding debt and enhance working capital, NTCJ entered into a JPY30 billion syndicated loan agreement with banks on May 17, 2021, which include Chinatrust Commercial Bank Co., Ltd. and other banks. The loan is guaranteed by the parent company, Winbond Electronics Corporation. Refer to Note 34 to the consolidated financial statements for related information. Pursuant to the loan contract, the Company should hold at least 100% of the issued shares or capital and maintain control over the operation of NTCJ, and NTCJ must maintain the financial debt ratio not to be lower than certain level during the loan period. The aforementioned financial ratio is calculated based on the audited consolidated financial statements.

Refer to Note 35 to the consolidated financial statements for the collateral of the syndicated loan.

b. Long-term borrowings

	Period	Interest Rate	September 30, 2025	December 31, 2024	September 30, 2024
<u>Unsecured borrowings</u>					
The Export-Import Bank of ROC	2020.08.25- 2027.08.25	-	\$ -	\$ 857,143	\$ 857,143
Less: Current portion			<u>-</u>	<u>(285,714)</u>	<u>(285,714)</u>
			<u>\$ -</u>	<u>\$ 571,429</u>	<u>\$ 571,429</u>

The proceeds of the Group's unsecured loan was used to acquire Panasonic's semiconductor business in Japan. The Company repaid the loan in full early in September 2025.

20. OTHER PAYABLES

	September 30, 2025	December 31, 2024	September 30, 2024
Payable for salaries or employee benefits	\$ 982,346	\$ 835,370	\$ 1,213,340
Payable for royalties	550,648	553,494	553,147
Payable for purchase of equipment	304,591	278,294	369,813
Payable for service	162,003	142,310	142,000
Payable for professional service	102,296	53,927	53,514
Payable for maintenance	100,048	122,309	103,198
Payable for utilities	55,055	52,934	66,538
Payable for software	22,150	159,391	13,335
Payable for carbon fees	724	-	-
Others	<u>949,642</u>	<u>1,414,019</u>	<u>1,803,129</u>
	<u>\$ 3,229,503</u>	<u>\$ 3,612,048</u>	<u>\$ 4,318,014</u>

21. OTHER CURRENT LIABILITIES

	September 30, 2025	December 31, 2024	September 30, 2024
Capacity guarantee	\$ 769,133	\$ 822,052	\$ -
Receipts in advance	331,078	391,404	464,820
Receipts under custody	18,355	143,595	18,477
Others	<u>44,337</u>	<u>113,990</u>	<u>38,005</u>
	<u>\$ 1,162,903</u>	<u>\$ 1,471,041</u>	<u>\$ 521,302</u>

Capacity guarantee is used to offset accounts receivable or to refund deposits when contracts expire within one year.

22. PROVISIONS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Employee benefits	\$ 913,852	\$ 1,093,623	\$ 1,220,154
Decommissioning costs	452,348	461,360	488,616
Warranties	<u>268,993</u>	<u>315,093</u>	<u>355,057</u>
	<u>\$ 1,635,193</u>	<u>\$ 1,870,076</u>	<u>\$ 2,063,827</u>

The Group acquired Panasonic's semiconductor business in September 2020. Some fabs will be closed due to low capacity utilization, decommissioning costs and labor costs were accounted separately for decommissioning liabilities and employee benefits provision.

23. RETIREMENT BENEFIT PLANS

Employee benefit expense in respect of the Company's defined benefit retirement plans was calculated using the actuarially determined pension cost discount rate as of December 31, 2024 and 2023, and recognized NT\$14,972 thousand, NT\$14,126 thousand, NT\$44,217 thousand and NT\$41,843 thousand for the three months ended and nine months ended September 30, 2025 and 2024, respectively.

24. GUARANTEE DEPOSITS

	September 30, 2025	December 31, 2024	September 30, 2024
Capacity guarantee	\$ -	\$ 185,742	\$ 1,091,339
Others	<u>78,803</u>	<u>78,753</u>	<u>76,748</u>
	<u>\$ 78,803</u>	<u>\$ 264,495</u>	<u>\$ 1,168,087</u>

When the contract expires, the capacity guarantee deposits will be refunded to customers by offsetting related accounts receivable or returned, if the contracts will expire within one year, the capacity guarantee deposits have been reclassified to other current liabilities. Please refer to Note 21 to the consolidated financial statements.

25. EQUITY

a. Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Shares authorized (in thousands of shares)	<u>800,000</u>	<u>500,000</u>	<u>500,000</u>
Shares authorized	<u>\$ 8,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>419,765</u>	<u>419,765</u>	<u>419,765</u>
Shares issued and fully paid	<u>\$ 4,197,653</u>	<u>\$ 4,197,653</u>	<u>\$ 4,197,653</u>
Par value (in New Taiwan dollars)	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>

As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of the Company's capital account amounted to NT\$4,197,653 thousand, divided into 419,765 thousand ordinary shares with a par value of NT\$10.

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital *			
Additional paid-in capital	\$ 5,205,655	\$ 5,205,655	\$ 5,205,655
Conversion of bonds	1,481,180	1,481,180	1,481,180
<u>May only be used to offset a deficit</u>			
Overdue dividends unclaimed	347	120	120
Changes in percentage of ownership interests in subsidiaries	299,834	310,638	310,638
<u>May not be used for any purpose</u>			
Equity component of convertible bonds	<u>112,804</u>	<u>-</u>	<u>-</u>
	<u>\$ 7,099,820</u>	<u>\$ 6,997,593</u>	<u>\$ 6,997,593</u>

* Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividends policy

The shareholders held their regular meeting on May 29, 2020 and resolved the amendments to the Company's dividend distribution policy in the Company's Articles of Incorporation (the "Articles"). Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The board of directors shall be authorized to distribute the profit, the legal reserve, and the capital plus in cash upon resolution by a majority vote at a board meeting attended by two-thirds or more of the directors, and shall report the same to the shareholders' meeting. In principle, not less than 10% of the total shareholders' bonus shall be distributed in the form of cash. For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 28 to the consolidated financial statements.

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

When the Company's distributing surplus, the additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRS. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter distributed.

The appropriations of earnings and dividends per share for 2024 and 2023 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For Year		For Year	
	2024	2023	2024	2023
Legal reserve	\$ 21,254	\$ 245,951		
Special reserve	23,219	479,840		
Cash dividends	<u>167,906</u>	<u>1,259,296</u>	\$ 0.40	\$ 3.00
	<u>\$ 212,379</u>	<u>\$ 1,985,087</u>		

Except for the cash dividends were distributed by the Company's board meeting on March 7, 2025 and March 5, 2024, respectively, the rest of the 2024 and 2023 appropriation of earnings were proposed by the Company's board meeting and were resolved by the shareholders regular meeting on May 26, 2025 and May 28, 2024, respectively.

d. Other equity items

- 1) The exchange differences arising on translation of foreign operations' net assets from its functional currency to the Group's presentation currency (New Taiwan dollar) are recognized directly in other comprehensive income. For the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024, other comprehensive gain (loss) was NT\$242,647 thousand, NT\$757,378 thousand, NT\$(331,090) thousand and NT\$302,292 thousand, respectively.
- 2) Unrealized valuation gains (losses) on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 403,315	\$ 365,441
Recognized for the period	(479,090)	43,249
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal	<u>462,278</u>	<u>-</u>
Balance at September 30	<u>\$ 386,503</u>	<u>\$ 408,690</u>

Unrealized gains (losses) on financial assets at FVTOCI represents the cumulative gains or losses arising from the fair value measurement on financial assets at FVTOCI that are recognized in other comprehensive income. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

26. REVENUE

Please refer to Note 37 to the consolidated financial statements for the Group's revenue.

27. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	\$ 4,701	\$ 56,866	\$ 146,119	\$ 130,058
Adjustment for prior years' tax	-	-	-	(49)
Deferred tax				
In respect of the current year	<u>37,891</u>	<u>13,117</u>	<u>41,806</u>	<u>6,697</u>
Income tax expense recognized in profit or loss	<u>\$ 42,592</u>	<u>\$ 69,983</u>	<u>\$ 187,925</u>	<u>\$ 136,706</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Deferred income tax				
Change in current year	\$ -	\$ -	\$ 82,000	\$ -
Income tax benefit recognized in other comprehensive income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,000</u>	<u>\$ -</u>

c. Income tax assessments

The Company's income tax returns through 2023 have been examined and approved by the tax authorities.

d. Pillar Two Income Tax Act

NTCJ, a subsidiary of Nuvoton Technology Corporation, was registered in Japan, where the income tax legislation related to the Global Minimum Tax has been implemented. Under this legislation, if NTCJ's effective tax rate is below 15%, it is required to pay a supplementary tax in Japan.

As of September 30, 2025, the Pillar Two income tax legislation has not had a significant impact on the group's income tax.

28. EMPLOYEE BENEFITS EXPENSE, DEPRECIATION AND AMORTIZATION

	For the Three Months Ended September 30							
	2025				2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Employee benefits expense								
Short-term employment benefits	\$ 258,399	\$ 1,709,043	\$ -	\$ 1,967,442	\$ 215,768	\$ 1,632,034	\$ -	\$ 1,847,802
Post-employment benefits	10,195	104,926	-	115,121	10,828	119,885	-	130,713
Share-based payment	-	-	-	-	190	1,753	-	1,943
Depreciation	201,817	116,022	31,069	348,908	166,631	115,994	33,307	315,932
Amortization	8,101	73,655	-	81,756	803	84,463	-	85,266

	For the Nine Months Ended September 30							
	2025				2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Employee benefits expense								
Short-term employment benefits	\$ 734,443	\$ 5,080,829	\$ -	\$ 5,815,272	\$ 661,986	\$ 4,886,589	\$ -	\$ 5,548,575
Post-employment benefits	30,366	316,978	-	347,344	31,972	349,158	-	381,130
Share-based payment	-	-	-	-	190	1,753	-	1,943
Depreciation	626,669	353,927	96,921	1,077,517	469,762	349,670	98,428	917,860
Amortization	20,088	227,552	-	247,640	3,535	257,706	-	261,241

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of director. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 1% of the net profit before income tax, compensation of employees, and remuneration of directors as employees' compensation. No less than 2% of the above-mentioned employees' compensation shall be distributed to non-executive employees. However, if the Company has accumulated losses, such losses shall first be offset.

For the nine months ended September 30, 2025, there were no estimation for compensation of employees and remuneration of directors due to net loss before tax. For the three months ended September 30, 2024 and the nine months ended September 30, 2024, the employees' compensation and remuneration of directors at rates of 6% and 1%, respectively, were as follows:

	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2024
Employees' compensation	\$ (3,513)	\$ 26,017
Remuneration of directors	(586)	4,336

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

The employees' compensation and remuneration to the directors of 2024 and 2023, which were approved by the Company's board of directors on March 7, 2025 and March 5, 2024, respectively, were as below:

	For Year 2024		For Year 2023	
	Amount	%	Amount	%
Employees' cash compensation	\$ 25,023	6	\$ 167,459	6
Remuneration of directors	4,170	1	27,910	1

There is no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

29. EARNINGS (LOSSES) PER SHARE

The numerators and denominators used in calculating earnings (losses) per share ("EPS") were as follows:

	For the Three Months Ended September 30					
	2025			2024		
	Amounts (Numerator) After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	Losses Per Share (NT\$) After Income Tax (Attributable to Owners of the Company)	Amounts (Numerator) After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	Losses Per Share (NT\$) After Income Tax (Attributable to Owners of the Company)
Basic losses per share						
Net loss attributed to owners of the Company	<u>\$ (513,469)</u>	<u>419,765</u>	<u>\$ (1.22)</u>	<u>\$ (105,455)</u>	<u>419,765</u>	<u>\$ (0.25)</u>
	For the Nine Months Ended September 30					
	2025			2024		
	Amounts (Numerator) After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	Losses Per Share (NT\$) After Income Tax (Attributable to Owners of the Company)	Amounts (Numerator) After Income Tax (Attributable to Owners of the Company)	Shares (Denominator) (In Thousands)	Earnings Per Share (NT\$) After Income Tax (Attributable to Owners of the Company)
Basic earnings per share						
Net (loss) profit attributed to owners of the Company	<u>\$ (970,654)</u>	<u>419,765</u>	<u>\$ (2.31)</u>	\$ 282,263	419,765	<u>\$ 0.67</u>
Effect of potentially dilutive ordinary shares						
Employees' compensation				-	610	
Diluted earnings per share						
Net profit attributed to owners of the Company				<u>\$ 282,263</u>	<u>420,375</u>	<u>\$ 0.67</u>

If the Company offered to settle the compensation or bonuses paid to employees in cash or shares, the Company assumed that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted EPS, as the effect is dilutive. The number of shares used in the computation of diluted EPS is estimated by the amount of compensation divided by the closing price of the potential common shares at the end of the reporting period. Such dilutive effect of the potential shares is included in the computation of diluted EPS until the number of shares to be distributed to employees is resolved in the following year.

30. SHARE-BASED PAYMENT TRANSACTION ARRANGEMENTS

Winbond Electronics Corporation was approved by the FSC on June 14, 2024 to issue 320,000 thousand shares for its cash capital increase. The board of directors resolved to retain 10% of the issued shares for employees' subscription, including the Company's employees. The number of shares retained for employees' subscriptions was confirmed on August 11, 2024 (the grant date). The fair value of such share options subscribed for by the Company's employees on the grant date was measured using the Black-Scholes Option Pricing Model and amounted to NT\$1,943 thousand which was recorded as compensation costs with a corresponding increase in capital surplus. The relevant information used in the pricing model was as follows:

Share Price (NT\$)	Exercise Price (NT\$)	Expected Price Volatility	Expected Vesting Period	Expected Dividend Yield	Risk-free Interest Rate	Fair Value Per Share (NT\$)
\$ 22.90	\$ 21	29.87%	2 days	-	1.27%	\$ 1.9

31. GOVERNMENT GRANTS

In December 2024, the Company received government grant income from the Industrial Upgrading and Innovation Platform Counseling Program under the Industrial Development Administration, Ministry of Economic Affairs, for the "Subsidy Program for Advancing Domestic IC Design Industry Development." The grant covered both the acquisition of intangible assets and related research and development expenses.

The portion allocated to the acquisition of intangible assets is recognized as deferred income, deducted from the carrying amount of the intangible assets, and subsequently recognized in profit or loss over the assets' useful life through a reduction in amortization expenses.

For the three months ended September 30, 2025, and the nine months ended September 30, 2025, the Company recognized government grant income, resulting in reductions of NT\$2,575 thousand and NT\$31,784 thousand in research and development expenses, respectively, and reductions of NT\$2,997 thousand and NT\$8,997 thousand in amortization expenses, respectively. The changes in deferred income are as follows:

	For the Nine Months Ended September 30, 2025
Balance at January 1	\$ 27,942
Amortization	<u>(8,997)</u>
Balance at September 30	<u>\$ 18,945</u>

32. CAPITAL MANAGEMENT

The Group's capital management objective is to ensure it has the necessary financial resources and operational plan so that it can cope with the next twelve months working capital requirements, capital expenditures, research and development expenses, debt repayments and dividends payments.

33. FINANCIAL INSTRUMENT

a. Categories of financial instruments

	September 30, 2025		December 31, 2024		September 30, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial assets</u>						
Financial assets at amortized cost (Note 1)	\$ 14,479,637	\$ 14,479,637	\$ 9,870,392	\$ 9,870,392	\$ 10,077,005	\$ 10,077,005
Financial assets at FVTPL						
Derivative financial assets	414	414	-	-	8,903	8,903
Financial assets at FVTOCI						
Investment in equity instruments	841,265	841,265	1,465,106	1,465,106	1,500,481	1,500,481
<u>Financial liabilities</u>						
Financial liabilities at amortized cost (Note 2)	15,831,849	15,831,849	10,172,564	10,172,564	9,866,501	9,866,501
Financial liabilities at FVTPL						
Derivative financial liabilities	22,460	22,460	38,033	38,033	2,705	2,705

Note 1: Including cash and cash equivalents, notes and accounts receivable (including related parties), finance lease receivables, other receivables and refundable deposits.

Note 2: Including notes and accounts payable (including related parties), other payables, bonds payable, short-term loans, long-term loans (including current portion) and guarantee deposits (including other current liabilities).

b. Fair value information

- 1) The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value is observable and the significance in its entirety, which are described as follows:
 - a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
 - b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
 - c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- 2) Fair value measurements recognized in the consolidated balance sheets
 - a) The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed shares and emerging market shares).

- b) The fair value of the financial instruments at fair value through profit or loss is based on Level 2 inputs, either directly or indirectly. The fair value of foreign-currency derivative financial instrument could be determined by reference to the price and discount rate of currency swap quoted by financial institutions. Foreign exchange forward contracts are measured using individual maturity rate to calculate the fair value of each contract.
- c) Domestic unlisted equity instruments at FVTOCI were all measured based on Level 3 fair value. Fair values of such equity instruments were determined using discounted cash flow of income approach and comparable listed company approach, by referring to strike price of similar business in active market, implied value multiple of the price and relevant information. Significant unobservable inputs included P/E ratio, value multiple and market liquidity discount. As the discounted cash flow method was used, the discount rate used for the lack of marketability was 29%; which increase by 1% while all the other variables are held constant, the fair value of investments will decrease by NT\$10,030 thousand for the nine months ended September 30, 2024.
- d) The put options and redemption options of the overseas convertible bonds issued by the Company are derivative instruments for which there is no market price available for reference. The Group's assesses the fair value using a binomial tree convertible bond valuation model. The significant unobservable input used is the stock price volatility. As the stock price volatility increases, the fair value of these derivative instruments will change. As of September 30, 2025, the stock price volatility applied was 46%.
- 3) Fair value of financial instruments that are not measured at fair value

	September 30, 2025			Total
	Level 1	Level 2	Level 3	
<u>Financial liabilities at amortized cost</u>				
Bonds payable	\$ _____ -	\$ _____ -	\$ 4,837,786	\$ 4,837,786

- 4) Fair value of financial instruments measured at fair value on a recurring basis

	September 30, 2025			Total
	Level 1	Level 2	Level 3	
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ _____ -	\$ 414	\$ _____ -	\$ 414
<u>Financial assets at FVTOCI</u>				
Domestic and overseas listed shares and emerging market shares	\$ 128,305	\$ _____ -	\$ _____ -	\$ 128,305
Domestic and overseas unlisted shares	\$ _____ -	\$ _____ -	\$ 712,960	\$ 712,960
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	\$ _____ -	\$ 18,108	\$ 4,352	\$ 22,460

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed shares and emerging market shares	<u>\$ 83,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,876</u>
Domestic and overseas unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,381,230</u>	<u>\$ 1,381,230</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 38,033</u>	<u>\$ -</u>	<u>\$ 38,033</u>

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivative financial assets	<u>\$ -</u>	<u>\$ 8,903</u>	<u>\$ -</u>	<u>\$ 8,903</u>
<u>Financial assets at FVTOCI</u>				
Domestic listed shares and emerging market shares	<u>\$ 107,124</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,124</u>
Domestic and overseas unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,393,357</u>	<u>\$ 1,393,357</u>
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 2,705</u>	<u>\$ -</u>	<u>\$ 2,705</u>

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

The financial assets measured at Level 3 fair value were financial assets at FVTPL and equity investments classified as financial assets at FVTOCI. Reconciliations for the nine months ended September 30, 2025 and 2024 were as follows:

	For the Nine Months Ended	
	September 30	
	2025	2024
Balance at January 1	\$ 1,381,230	\$ 1,291,237
Additions	-	30,000
Disposals	(164,847)	-
Refund of capital reduction	(800)	(450)
Recognized in other comprehensive income	(502,623)	70,208
Recognized in profit or loss	<u>-</u>	<u>2,362</u>
Balance at September 30	<u>\$ 712,960</u>	<u>\$ 1,393,357</u>

The financial liabilities of the consolidated entity measured at Level 3 fair value refer to the put options and redemption options of overseas convertible bonds, which are classified as fair value through profit or loss. Reconciliations for the nine months ended September 30, 2025 was as follows:

	For the Nine Months Ended September 30, 2025
Balance at January 1	\$ -
Additions	8,302
Recognized in profit or loss	<u>(3,950)</u>
Balance at September 30	<u>\$ 4,352</u>

c. Financial risk management objectives and policies

The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign currency risk, and the use of financial derivatives. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into foreign exchange forward contracts to hedge the foreign currency risk arising on the export business.

a) Foreign currency risk

The Group has foreign currency denominated transactions, which expose the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 36 to the consolidated financial statements.

The sensitivity analysis included only outstanding foreign currency denominated monetary items at the end of the reporting period and assuming an increase in net income and equity if New Taiwan dollars strengthen by 1% against foreign currencies. For a 1% weakening of New Taiwan dollars against the relevant currency, there would be impact on net income (loss) in the amounts of NT\$30,627 thousand decrease (increase) and NT\$13,140 thousand decrease (increase) for the nine months ended September 30, 2025 and 2024, respectively. The amounts used in the 1% weakening of New Taiwan dollars against the relevant currency did not consider the impact of hedge contracts and hedged item.

b) Interest rate risk

Interest rate risk refers to the risk that the change in market value will influence the fair value of financial instruments. The Group's interest rate risk arises primarily from floating rate deposits and long-term loans.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Cash flow interest rate risk			
Financial assets	\$ 7,713	\$ 8,413	\$ 8,413
Financial liabilities	3,992,520	2,977,133	1,879,723

The sensitivity analysis of cash flows based on the Group's exposure to interest rates for fair value of variable-rate non-derivative instruments at the end of the reporting period. If interest rates had been higher by 100 basis points, the Group's cash outflows for the nine months ended September 30, 2025 and 2024 would have increased by NT\$29,886 thousand and increased by NT\$14,035 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group, to mitigate the risk of financial loss from defaults, the Group has established risk procedures and is continuously assessing the credit risk of each counterparty, sufficient collateral will be obtained when necessary. In this regard, the management of the Group consider that the Group's credit risk was significantly reduced.

3) Liquidity risk

The Group has enough operating capital to comply with loan covenants; liquidity risk is low.

The Group's non-derivative financial liabilities and their agreed repayment period are as follows:

	September 30, 2025			Total
	Within 1 Year	1-2 Years	Over 2 Years	
<u>Non-derivative financial liabilities</u>				
Non-interest bearing Lease liabilities	\$ 6,153,607	\$ 78,803	\$ -	\$ 6,232,410
Variable interest rate liabilities	169,370	105,791	230,519	505,680
Fixed interest rate liabilities	3,992,520	-	-	3,992,520
	<u>-</u>	<u>-</u>	<u>5,334,035</u>	<u>5,334,035</u>
	<u>\$ 10,315,497</u>	<u>\$ 184,594</u>	<u>\$ 5,564,554</u>	<u>\$ 16,064,645</u>

Additional information about the maturity analysis of lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years	Total
<u>Non-derivative financial liabilities</u>				
Lease liabilities	<u>\$ 275,161</u>	<u>\$ 145,778</u>	<u>\$ 84,741</u>	<u>\$ 505,680</u>

	December 31, 2024			
	Within 1 Year	1-2 Years	Over 2 Years	Total
<u>Non-derivative financial liabilities</u>				
Non-interest bearing Lease liabilities	\$ 6,930,936	\$ 264,495	\$ -	\$ 7,195,431
Variable interest rate liabilities	171,074	116,028	226,984	514,086
	<u>2,405,704</u>	<u>285,714</u>	<u>285,715</u>	<u>2,977,133</u>
	<u>\$ 9,507,714</u>	<u>\$ 666,237</u>	<u>\$ 512,699</u>	<u>\$ 10,686,650</u>

Additional information about the maturity analysis of lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years	Total
	<u>Non-derivative financial liabilities</u>			
Lease liabilities	<u>\$ 287,102</u>	<u>\$ 132,762</u>	<u>\$ 94,222</u>	<u>\$ 514,086</u>

	September 30, 2024			
	Within 1 Year	1-2 Years	Over 2 Years	Total
<u>Non-derivative financial liabilities</u>				
Non-interest bearing Lease liabilities	\$ 6,818,691	\$ 1,168,087	\$ -	\$ 7,986,778
Variable interest rate liabilities	173,735	134,998	249,847	558,580
	<u>1,308,294</u>	<u>285,714</u>	<u>285,715</u>	<u>1,879,723</u>
	<u>\$ 8,300,720</u>	<u>\$ 1,588,799</u>	<u>\$ 535,562</u>	<u>\$ 10,425,081</u>

Additional information about the maturity analysis of lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years	Total
	<u>Non-derivative financial liabilities</u>			
Lease liabilities	<u>\$ 308,733</u>	<u>\$ 147,082</u>	<u>\$ 102,765</u>	<u>\$ 558,580</u>

34. TRANSACTIONS WITH RELATED PARTIES

a. Related party name and categories

Related Party Name	Related Party Categories
Winbond Electronics Corporation (“WEC”)	The Company’s parent
Winbond Electronics (HK) Limited (“WEHK”)	Associate
Winbond Electronics Corporation America (“WECA”)	Associate
Winbond Electronics Corporation Japan (“WECJ”)	Associate
Callisto Holding Limited	Associate
AMTC	Associate
Miraxia Edge Technology Corporation (“METC”)	Associate
TPSCo.	Associate
Winbond Electronics Germany GmbH (“WEG”)	Associate
Nyquest Technology Co., Ltd. (“Nyquest”)	Related party in substance
Walton Advanced Engineering Inc.	Related party in substance
Chin Cherng Construction Co., Ltd.	Related party in substance
United Industrial Gases Co., Ltd.	Related party in substance
Walsin (Nanjing) Development Co., Ltd.	Related party in substance
Waltech Advanced Engineering (Suzhou), Inc. (“Waltech”)	Related party in substance
Su, Yuan-Mao	Chairman of the Company

b. Operating activities

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
1) Operating revenue				
Related party in substance	\$ 15,851	\$ 23,923	\$ 53,850	\$ 81,020
Associate	<u>2,162</u>	<u>1,050</u>	<u>4,616</u>	<u>2,244</u>
	<u>\$ 18,013</u>	<u>\$ 24,973</u>	<u>\$ 58,466</u>	<u>\$ 83,264</u>
2) Purchases of goods				
Associate				
TPSCo.	\$ 702,960	\$ 1,053,647	\$ 2,669,089	\$ 2,663,551
Parent company	<u>50,959</u>	<u>38,340</u>	<u>152,690</u>	<u>115,739</u>
	<u>\$ 753,919</u>	<u>\$ 1,091,987</u>	<u>\$ 2,821,779</u>	<u>\$ 2,779,290</u>
3) Manufacturing expenses				
Related party in substance				
Waltech	\$ 377,840	\$ 456,646	\$ 1,183,318	\$ 1,311,644
Associate				
TPSCo.	407,438	454,542	1,275,655	1,278,956
Others	19,232	17,450	57,528	50,245
Parent company	<u>352</u>	<u>536</u>	<u>853</u>	<u>1,032</u>
	<u>\$ 804,862</u>	<u>\$ 929,174</u>	<u>\$ 2,517,354</u>	<u>\$ 2,641,877</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
4) Operating expenses				
Associate	\$ 80,284	\$ 86,595	\$ 249,198	\$ 253,547
Parent company	44,281	51,139	143,001	180,216
Related party in substance	<u>2,699</u>	<u>4,901</u>	<u>12,592</u>	<u>43,713</u>
	<u>\$ 127,264</u>	<u>\$ 142,635</u>	<u>\$ 404,791</u>	<u>\$ 477,476</u>
5) Dividend income				
Related party in substance				
United Industrial Gases Co., Ltd.	\$ -	\$ -	\$ 59,840	\$ 59,840
Nyquest	<u>3,894</u>	<u>2,673</u>	<u>3,894</u>	<u>2,673</u>
	<u>\$ 3,894</u>	<u>\$ 2,673</u>	<u>\$ 63,734</u>	<u>\$ 62,513</u>
6) Non-operating income (expenses)				
Parent company	\$ 109	\$ 132	\$ 435	\$ 364
Associate	-	-	-	7,950
Related party in substance				
Waltech	-	-	-	(23,708)
Others	<u>-</u>	<u>127</u>	<u>171</u>	<u>127</u>
	<u>\$ 109</u>	<u>\$ 259</u>	<u>\$ 606</u>	<u>\$ (15,267)</u>
	September 30, 2025	December 31, 2024	September 30, 2024	
7) Accounts receivable from related parties				
Related party in substance	\$ 6,252	\$ 3,980	\$ 1,936	
Associate	1,303	314	260	
Parent company	<u>483</u>	<u>-</u>	<u>-</u>	
	<u>\$ 8,038</u>	<u>\$ 4,294</u>	<u>\$ 2,196</u>	
8) Other receivables				
Associate	\$ 14,367	\$ 43,742	\$ 43,212	
Related party in substance	949	1,089	898	
Parent company	<u>-</u>	<u>356</u>	<u>-</u>	
	<u>\$ 15,316</u>	<u>\$ 45,187</u>	<u>\$ 44,110</u>	

Other receivables - related parties were collection or payment on behalf of others.

	September 30, 2025	December 31, 2024	September 30, 2024
9) Refundable deposits			
Parent company	\$ 3,070	\$ 1,780	\$ 1,780
Related party in substance	<u> -</u>	<u> 1,722</u>	<u> 1,722</u>
	<u>\$ 3,070</u>	<u>\$ 3,502</u>	<u>\$ 3,502</u>
10) Accounts payable to related parties			
Associate			
TPSCo.	\$ 449,088	\$ 497,798	\$ 432,979
Related party in substance			
Waltech	442,067	522,313	460,449
Parent company	<u>32,426</u>	<u>24,872</u>	<u>29,728</u>
	<u>\$ 923,581</u>	<u>\$ 1,044,983</u>	<u>\$ 923,156</u>
11) Other payables			
Associate	\$ 110,273	\$ 285,184	\$ 297,845
Related party in substance	10,762	190,717	212,099
Parent company	<u>52,116</u>	<u>87,691</u>	<u>99,339</u>
	<u>\$ 173,151</u>	<u>\$ 563,592</u>	<u>\$ 609,283</u>
12) Other current liabilities - Advance receipts			
Nyquest	<u>\$ 114,321</u>	<u>\$ 166,820</u>	<u>\$ 184,921</u>
13) Guarantee deposits			
Parent company	<u>\$ -</u>	<u>\$ 545</u>	<u>\$ 545</u>

The sales and purchase prices and collection and payment terms with related parties were not significantly different from those with third parties. For other related party transactions, price and terms were determined in accordance with mutual agreement.

14) Acquisition of property, plant and equipment

	Purchase Price			
	For the Three Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Associate	<u>\$ 179</u>	<u>\$ 11,254</u>	<u>\$ 6,234</u>	<u>\$ 42,795</u>

15) Acquisition of intangible assets

	Acquisition Price			
	For the Three Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Associate	\$ 3,442	\$ -	\$ 11,377	\$ -

16) Disposal of property, plant and equipment

	Proceeds		Gain (Loss) on Disposal	
	For the Three Months Ended		For the Three Months Ended	
	September 30		September 30	
Related Party Category	2025	2024	2025	2024
Associate	\$ -	\$ -	\$ -	\$ -

	Proceeds		Gain (Loss) on Disposal	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
Related Party Category	2025	2024	2025	2024
Associate	\$ -	\$ 687	\$ -	\$ 687

The price of above transaction was determined to base on the acquisition cost of the equipment and reference to the recent quoted market price.

c. Lease arrangements - Group is lessee

	September 30, 2025	December 31, 2024	September 30, 2024	
1) Lease liabilities				
Parent company	\$ 87,670	\$ -	\$ 3,059	
Related party in substance	15,292	19,827	21,285	
Associate	<u>10,178</u>	<u>17,430</u>	<u>18,892</u>	
	<u>\$ 113,140</u>	<u>\$ 37,257</u>	<u>\$ 43,236</u>	
	For the Three Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024

2) Finance costs

Parent company	\$ 461	\$ 9	\$ 1,234	\$ 50
Related party in substance	120	164	392	558
Associate	<u>44</u>	<u>81</u>	<u>162</u>	<u>267</u>
	<u>\$ 625</u>	<u>\$ 254</u>	<u>\$ 1,788</u>	<u>\$ 875</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
3) Acquisition of right-of-use assets				
Related party in substance	\$ -	\$ -	\$ -	\$ 30,315
Parent company	-	-	99,628	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,628</u>	<u>\$ 30,315</u>

d. Lease arrangements - Group is lessor/Sublease arrangements

Sublease arrangements under operating leases

For the nine months ended September 30, 2025 and 2024, the Group subleases its right-of-use assets to its associate companies WEC, WEHK and TPSCo. under operating leases with lease terms between 1 and 12 years, and the rental is based on similar asset's market rental rates and fixed lease payments are received monthly.

1) The balance of operating lease receivables were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associate			
TPSCo.	\$ 12,168	\$ 12,410	\$ 13,144
Others	362	390	376
Parent company	-	383	441
	<u>\$ 12,530</u>	<u>\$ 13,183</u>	<u>\$ 13,961</u>

2) Future lease payment receivables were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associate			
TPSCo.	\$ 862,816	\$ 981,545	\$ 1,075,376
Others	9,751	14,000	14,578
Parent company	-	1,247	993
	<u>\$ 872,567</u>	<u>\$ 996,792</u>	<u>\$ 1,090,947</u>

3) Lease income were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate				
TPSCo.	\$ 32,756	\$ 34,956	\$ 101,970	\$ 102,615
Others	1,062	998	3,358	2,664
Parent company	-	1,051	1,625	3,094
	<u>\$ 33,818</u>	<u>\$ 37,005</u>	<u>\$ 106,953</u>	<u>\$ 108,373</u>

Lease arrangements under finance leases

The Group leased out equipment and intangible assets to its associate company - TPSCo. under finance leases with lease term of 3 years from the second quarter of 2022. The net investment in leases was NT\$277,390 thousand at the inception of the lease and the contract has average implicit interest rate of approximately 1.85% per annum. The rental is based on similar asset's market rental rates and the fixed lease payments JPY107,719 thousand are received quarterly.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of finance lease receivables were NT\$0 thousand, NT\$22,506 thousand and NT\$47,561 thousand, respectively. As of December 31, 2024 and September 30, 2024, there was no impairment loss. The amount of interest income under finance leases for the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024, were NT\$0 thousand, NT\$330 thousand, NT\$110 thousand and NT\$1,254 thousand, respectively.

e. Endorsements and guarantees

Endorsements and guarantees provided by the Group

The chairman of the Company is a joint guarantor of the land-leasing from Taiwan Sugar Corporation. Refer to Note 15 to the consolidated financial statements.

Endorsements and guarantees given by related parties

Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Parent company			
Amount endorsed	<u>\$ 6,174,000</u>	<u>\$ 6,297,000</u>	<u>\$ 6,669,000</u>
Amount utilized (reported as secured bank loans)	<u>\$ 2,757,720</u>	<u>\$ 1,490,290</u>	<u>\$ 1,022,580</u>

f. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 39,300	\$ 40,741	\$ 125,569	\$ 129,630
Post-employment benefits	1,268	1,002	3,502	2,904
Share-based payment	<u>-</u>	<u>190</u>	<u>-</u>	<u>190</u>
	<u>\$ 40,568</u>	<u>\$ 41,933</u>	<u>\$ 129,071</u>	<u>\$ 132,724</u>

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

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for land leases, customs tariff obligations and bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 977,923	\$ 997,405	\$ 1,056,328
Buildings	420,865	460,863	501,513
Investment properties	264,398	290,024	314,344
Time deposits (accounted as refundable deposits)	<u>115,477</u>	<u>109,599</u>	<u>109,502</u>
	<u>\$ 1,778,663</u>	<u>\$ 1,857,891</u>	<u>\$ 1,981,687</u>

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	September 30, 2025		
	Foreign Currencies (Thousand)	Exchange Rate (Note)	New Taiwan Dollars (Thousand)
<u>Financial assets</u>			
Monetary items			
USD	\$ 173,214	30.445	\$ 5,273,514
CNY	7,477	4.271	31,935
JPY	521,537	0.2058	107,332
SGD	602	23.61	14,223
<u>Financial liabilities</u>			
Monetary items			
USD	72,141	30.445	2,196,330
ILS	13,437	9.2224	123,923
CNY	5,765	4.271	24,624
JPY	58,225	0.2058	11,983
EUR	443	35.77	15,841

	December 31, 2024		
	Foreign Currencies (Thousand)	Exchange Rate (Note)	New Taiwan Dollars (Thousand)
<u>Financial assets</u>			
Monetary items			
USD	\$ 126,245	32.785	\$ 4,138,943
ILS	15,225	8.9682	136,544
CNY	5,101	4.478	22,844
JPY	465,294	0.2099	97,665
EUR	995	34.14	33,979
SGD	731	24.13	17,638

Financial liabilities

Monetary items			
USD	89,809	32.785	2,944,398
ILS	16,726	8.9682	150,001
CNY	5,415	4.478	24,247
JPY	135,364	0.2099	28,413
EUR	303	34.14	10,356

	September 30, 2024		
	Foreign Currencies (Thousand)	Exchange Rate (Note)	New Taiwan Dollars (Thousand)
<u>Financial assets</u>			
Monetary items			
USD	\$ 154,092	31.65	\$ 4,877,002
ILS	12,972	8.5464	110,862
CNY	6,136	4.5230	27,753
JPY	433,534	0.2223	96,375
EUR	1,066	35.38	37,729

Financial liabilities

Monetary items			
USD	116,418	31.65	3,684,645
ILS	12,309	8.5464	105,195
CNY	5,282	4.5230	23,890
JPY	101,047	0.2223	22,463

Note: The rate foreign currencies are exchanged to New Taiwan dollars and displayed as a rate.

For the three months ended September 30, 2025 and 2024 and the nine months ended September 30, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were NT\$111,069 thousand, NT\$(165,167) thousand, NT\$(442,260) thousand and NT\$(28,714) thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

37. SEGMENT INFORMATION

a. Basic information about operating segment

1) Classification of operating segments

The Group's reportable segments under IFRS 8 and IAS 34 were as follows:

a) General IC product segment

The general IC product segment engages mainly in research, design, manufacturing, sale and after-sales service.

b) Foundry service segment

The foundry service segment engages mainly in research, design, manufacturing and sale.

2) Principles of measuring reportable segments profit, assets and liabilities

The significant accounting principles of each operating segment are the same as those stated in Note 4 to the consolidated financial statements. The Group's operating segment profit or loss represents the profit or loss earned by each segment. The profit or loss is controllable by segment managers and is the basis for assessment of segment performance. The Group does not provide information on assets regularly to the Group's chief operating decision maker; thus, the measure of assets is zero. Major liabilities are arranged based on the capital cost and deployment of the whole company, which are not controlled by individual segment managers.

b. Segment revenues and operating results

The following is an analysis of the Group's revenue from continuing operations by reportable segments.

	Segment Revenue		Segment Profit and Loss	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
General IC products	\$ 21,731,080	\$ 22,572,642	\$ 1,730,480	\$ 2,202,081
Foundry service	<u>1,234,446</u>	<u>1,551,578</u>	<u>121,614</u>	<u>408,074</u>
Total of segment revenue	22,965,526	24,124,220	1,852,094	2,610,155
Other revenue	<u>486,645</u>	<u>528,766</u>	<u>315,922</u>	<u>316,983</u>
Operating revenue	<u>\$ 23,452,171</u>	<u>\$ 24,652,986</u>	2,168,016	2,927,138
Unallocated expenditure				
Administrative and supporting expenses			(1,760,274)	(1,749,771)
Sales and other common expenses			<u>(952,249)</u>	<u>(944,407)</u>
(Loss) income from operations			(544,507)	232,960
Finance costs			(140,848)	(32,148)
Interest income			175,438	135,631

(Continued)

	<u>Segment Revenue</u>		<u>Segment Profit and Loss</u>	
	<u>For the Nine Months Ended</u>		<u>For the Nine Months Ended</u>	
	<u>September 30</u>		<u>September 30</u>	
	2025	2024	2025	2024
Dividend income			\$ 64,736	\$ 64,294
Other gains and losses			44,447	14,751
(Losses) gains on disposal of property, plant and equipment			(602)	13,839
Gains on disposal of intangible assets			1,073	-
Foreign exchange losses			(442,260)	(28,714)
Gains (losses) on financial instruments at fair value through profit or loss			31,963	(39,209)
Share of profit of associates			<u>27,831</u>	<u>57,565</u>
(Loss) profit before income tax			<u>\$ (782,729)</u>	<u>\$ 418,969</u>

(Concluded)

38. ADDITIONAL DISCLOSURE

Transactions between Nuvoton Technology Corporation and subsidiaries are all eliminated when preparing the consolidated financial statements.

a. Following are the additional disclosures for material transactions and investments:

1)	Financings provided	Table 1
2)	Endorsements/guarantees provided	Table 2
3)	Significant marketable securities held (excluding investments in subsidiaries and associates)	Table 3
4)	Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital	Table 4
5)	Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital	Table 5
6)	Intercompany relationships and Significant intercompany transactions	Table 8
7)	Information on investments	Table 6

b. Information on investment in mainland China

1)	The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits (losses) of investee, ending balance, amount received as dividends from the investee, and the limitation on investee.	Table 7
2)	<p>Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in mainland China on financial reports.</p> <p>a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.</p> <p>b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.</p> <p>c) The amount of property transactions and the amount of the resultant gains or losses.</p> <p>d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.</p> <p>e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.</p> <p>f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.</p>	Table 7

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

**FINANCINGS PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Amount Actually Drawn	Interest Rate (%)	Nature of Financing	Transaction Amount	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limit for Each Borrower (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
1	NTSZ	NTNJ	Other receivables from related parties	Yes	\$ 64,065	\$ 64,065	\$ -	3	The need for short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 246,525	\$ 246,525

Note 1: The maximum balance for the period and ending balance represent the amounts approved by the NTSZ Board of Directors.

Note 2: The aggregate amount available for lending to others by NTSZ shall not exceed the net worth of NTSZ nor 40% of the net worth of the company as shown in its latest financial statements, and shall be limited to the lower of the two.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 2)	Actual Borrowing Amount (In Thousands of Foreign Currencies)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	NTCJ	Subsidiary	\$ 13,816,524	\$ 2,604,825	\$ 2,604,825	\$ 661,410	\$ -	18.85	\$ 13,816,524	Y	N	N

Note 1: The Company's maximum amount endorsed are limited to 20% of the net equity in latest financial statements of the Company or the net value of the endorsee company, whichever is lower. The Company's limitation of maximum endorse amount as described are not limited to subsidiaries that directly or indirectly hold more than 50% of voting shares.

Note 2: The ending balance is approved by the boards of directors of the Company.

Note 3: The Company's maximum amount endorsed are based on the net equity in the latest financial statements of the Company.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars)

Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Shares</u> United Industrial Gases Co., Ltd.	The held company as the investee's director	Non-current financial assets at fair value through other comprehensive income	8,800,000	\$ 651,200	4	\$ 651,200	

Note: Significant marketable securities refer to those held by the Company and its investees, for which the fair value of NT\$100 million or more, which are required to be disclosed.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(TRANSACTIONS BETWEEN NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES ARE ALL ELIMINATED WHEN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS. THE FOLLOWING DISCLOSURE INFORMATION IS ONLY FOR REFERENCE.)

(In Thousands of New Taiwan Dollars and Foreign Currencies)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	NTHK	Subsidiary	Sales	\$ 5,931,952	40	Net 50 days from invoice date	N/A	N/A	\$ 1,135,826	40	
	NTCA	Subsidiary	Sales	134,917	1	Net 50 days from invoice date	N/A	N/A	16,220	1	
	NTSG	Subsidiary	Sales	230,437	2	Net 8 days end of the month	N/A	N/A	40,099	1	
	NTCJ	Subsidiary	Sales	708,769	5	Net 8 days end of the month	N/A	N/A	236,919	8	
	NTSG	Subsidiary	Purchases	325,184	5	Net 8 days end of the month	N/A	N/A	(40,272)	2	
	NTCJ	Subsidiary	Purchases	3,380,573	53	Net 8 days end of the month	N/A	N/A	(173,475)	10	
	WEC	Parent company	Purchases	124,749	2	Net 30 days from invoice date	N/A	N/A	(29,693)	2	
NTSG	NTCJ	Fellow subsidiary	Sales	US\$ 45,212	53	Net 10 days end of the month	N/A	N/A	US\$ 5,049	43	
	NTHK	Fellow subsidiary	Sales	US\$ 6,716	8	Net 10 days end of the month	N/A	N/A	US\$ 798	7	
NTCJ	NTSG	Fellow subsidiary	Sales	JPY 7,163,014	13	Net 10 days end of the month	N/A	N/A	JPY 805,116	8	
	NTHK	Fellow subsidiary	Sales	JPY 10,575,701	19	Net 10 days end of the month	N/A	N/A	JPY 2,477,219	23	
	TPSCo.	Associate	Purchases	JPY 12,617,007	46	Net 10 days end of the month	N/A	N/A	JPY (2,182,157)	44	

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
The Company	NTHK	Subsidiary	\$ 1,135,826 (Note 2)	6.30	\$ -	-	\$ 645,657	\$ -
	NTCJ	Subsidiary	236,919 (Note 2)	5.41	-	-	217,566	-
NTSG	NTCJ	Fellow subsidiary	US\$ 5,049 (Note 2)	11.51	-	-	US\$ 5,049	-
NTCJ	NTSG	Fellow subsidiary	JPY 805,116 (Note 2)	9.14	-	-	JPY 805,116	-
	NTHK	Fellow subsidiary	JPY 2,477,219 (Note 2)	7.62	-	-	JPY 2,477,219	-
	The Company	Parent company	JPY 842,929 (Note 2)	20.66	-	-	JPY 842,929	-
NTIL	The Company	Parent company	ILS 13,437 (Note 2)	(Note 1)	-	-	ILS 13,437	-

Note 1: Other receivables is not applicable to calculation of turnover rate.

Note 2: All receivables balances are eliminated.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(TRANSACTIONS BETWEEN NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES ARE ALL ELIMINATED WHEN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS.

THE FOLLOWING DISCLOSURE INFORMATION IS ONLY FOR REFERENCE.)

(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
The Company	NTHK	Hong Kong	Sales of semiconductor	\$ 427,092	\$ 427,092	107,400,000	100	\$ 870,259	\$ 69,089	\$ 69,089	(Note 3)
	MML	British Virgin Islands	Investment holding	-	274,987	-	-	-	(7,803)	(7,803)	
	NIH	British Virgin Islands	Investment holding	515,251	515,251	15,633,161	100	517,625	48,425	48,425	
	SYI	Taiwan	Investment holding	38,500	38,500	3,850,000	100	82,559	3,997	3,997	
	NTIPL	India	Design, sales and service of semiconductor	30,211	30,211	600,000	100	20,680	303	303	
	NTCA	United States of America	Design, sales and service of semiconductor	190,862	190,862	60,500	100	241,075	11,632	11,632	
	NTSG	Singapore	Design, sales and service of semiconductor	1,319,054	1,319,054	45,100,000	100	2,136,592	67,552	67,552	
	NTKL	Korea	Design, sales and service of semiconductor	67,611	67,611	280,000	100	51,241	2,531	2,531	
	NTHJ	Japan	Investment holding	5,927,849	5,927,849	100	100	5,991,708	(1,497,135)	(1,497,135)	
	NTG	Germany	Customer service and technical support of semiconductor	67,980	67,980	2,000,000	100	71,222	1,158	1,158	
	NTCJ	Japan	Design, sales and service of semiconductor	3,067,500	-	3,000	24	3,087,000	(1,497,248)	-	
	NIH	NTIL	Israel	Design and service of semiconductor	46,905	46,905	1,000	100	516,923	48,598	
NTHJ	NTCJ	Japan	Design, sales and service of semiconductor	111,520	111,520	9,480	76	7,985,789	(1,497,248)	(1,497,248)	
NTCJ	TPSCo.	Japan	Foundry and sales of semiconductor	1,708,037	1,708,037	49,539	49	1,881,629	47,817	27,831	

Note 1: Share of profit (loss) includes downstream and upstream transactions.

Note 2: Refer to Table 7 for information on investment in mainland China.

Note 3: MML completed the deregistration and liquidation process in September 2025.

Note 4: In September 2025, NTCJ completed a cash capital injection that was fully subscribed by the Company, resulting in the Company acquiring a 24% equity interest and reducing NTHJ's ownership in NTCJ to 76%.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 (In Thousands of New Taiwan Dollars and U.S. Dollars)

1. Information on any investee company in mainland China, main businesses and products, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Investee Company in Mainland China	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025	% Ownership of Direct or Indirect Investment	Net Income of the Investee	Investment Gain (Note 1)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outward	Inward						
NTSH	Provide project of sale in China and repairing, testing and consulting of software and leasing business	\$ 68,036 (US\$ 2,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	\$ 68,036 (US\$ 2,000)	\$ -	\$ -	\$ 68,036 (US\$ 2,000)	100	\$ 1,670	\$ 1,670	\$ 95,883	\$ -
NTSZ	Computer software service (except I.C. design), wholesale business for computer, supplement and software	197,670 (US\$ 6,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	197,670 (US\$ 6,000)	-	-	197,670 (US\$ 6,000)	100	2,893	2,893	238,998	-
NTNJ	Provide development of semiconductor and technology, consult service and sales.	28,800 (US\$ 900)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	- (Note 2)	-	-	-	100	427	427	22,591	-

Note 1: Investment profit or loss for the nine months ended September 30, 2025 was recognized under the basis of the financial statements reviewed by the Company's auditor.

Note 2: NTHK directly injected the capital in NTNJ.

2. Information on any investee company in mainland China, main businesses and products, paid-in capital, method of investment, limit on investment in mainland China:

Company	Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025 (Note 3)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
The Company	NT\$282,135 (US\$8,500)	NT\$282,135 (US\$8,500)	NT\$8,289,914

Note 3: The investment amounts of Winbond Electronics (Nanjing) Ltd. which has completed the cancellation and liquidation process in May 2023 was NT\$16,429 thousand (US\$500 thousand).

Note 4: Upper limit on the amount of 60% of the Company's net book value.

3. Refer to Table 8 for significant transactions with the investee in mainland China directly and indirectly through investing in companies in the third area.
4. Handling endorsement, guarantee and collateral to the investee in Mainland China directly and indirectly through investing in companies in the third area: None.
5. Refer to Table 1 for financing of funds to investee in mainland China directly and indirectly through investing in companies in the third area.
6. Other transactions with significant influence on profit or loss for the period or financial performance: None.

NUVOTON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars and Foreign Currencies)

No.	Company Name	Related Party	Nature of Relationship	Transaction Details			Percentage of Consolidated Total Gross Sales or Total Assets (%)
				Financial Statement Account	Amount	Terms (Note)	
0	<u>2025.1.1-2025.9.30</u> The Company	NTHK	Transactions between parent company and subsidiaries	Operating revenue	\$ 5,931,952	-	25
		NTHK	Transactions between parent company and subsidiaries	Accounts receivable from related parties	1,135,826	-	3
		NTCA	Transactions between parent company and subsidiaries	Operating revenue	134,917	-	1
		NTSG	Transactions between parent company and subsidiaries	Operating revenue	230,437	-	1
		NTCJ	Transactions between parent company and subsidiaries	Operating revenue	708,769	-	3
		NTCJ	Transactions between parent company and subsidiaries	Accounts receivable from related parties	236,919	-	1
		NTSG	Transactions between parent company and subsidiaries	Operating cost	325,184	-	1
		NTCJ	Transactions between parent company and subsidiaries	Operating cost	3,380,573	-	14
		NTCJ	Transactions between parent company and subsidiaries	Accounts payable to related parties	173,475	-	1
		NTIL	Transactions between parent company and subsidiaries	Operating expense	1,149,085	-	5
		NTIL	Transactions between parent company and subsidiaries	Other payables to related parties	123,923	-	-
		NTCA	Transactions between parent company and subsidiaries	Operating expense	331,033	-	1
1	NTCJ	NTSG	Transactions between subsidiaries	Operating revenue	1,512,630	-	6
		NTSG	Transactions between subsidiaries	Accounts receivable from related parties	165,693	-	1
		NTHK	Transactions between subsidiaries	Operating revenue	2,215,332	-	9
		NTHK	Transactions between subsidiaries	Accounts receivable from related parties	509,812	-	2
2	NTSG	NTCJ	Transactions between subsidiaries	Operating revenue	1,421,563	-	6
		NTCJ	Transactions between subsidiaries	Accounts receivable from related parties	153,730	-	-
		NTHK	Transactions between subsidiaries	Operating revenue	210,637	-	1

Note 1: There is no significant difference between the sales conditions of parent-subsidary sales and general sales, and the rest of the transactions have no similar transactions to follow, thus the transactions between the two parties are based on the agreement.

Note 2: Significant intercompany transactions refer to transactions amounted to NT\$100 million.