

AVerMedia Technologies Inc. and
subsidiaries

Consolidated Financial Statements
for the Six Months Ended June 30,
2025 and 2024 and Independent
Auditors' Review Report

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Independent Auditor's Review Report

To AVerMedia Technology Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of AVerMedia Technologies, Inc. and its subsidiaries (collectively, the "Company") as of June 30, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, 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.

Basis for qualified conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of certain immaterial subsidiaries included in the consolidated financial statements were not reviewed by auditors. The total assets of these subsidiaries amounted to NT\$207,090 thousand

and NT\$200,550 thousand as of June 30, 2025 and 2024, respectively, representing 4% and 3% of total consolidated assets. Their total liabilities were NT\$28,516 thousand and NT\$34,907 thousand, respectively, representing 1% and 2% of total consolidated liabilities. Their total comprehensive income (loss) for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, amounted to NT\$8,755 thousand, NT\$(9,901) thousand, NT\$6,406 thousand, and NT\$(10,223) thousand, respectively, representing (5%), (30%), (4%), and (19%) of total consolidated comprehensive income (loss).

Qualified Conclusion

Based on our review, except for the possible effects on the consolidated financial statements if the financial statements of certain immaterial subsidiaries had been reviewed by accountants as described in the Basis for Qualified Conclusion section, nothing has come to our attention that causes us to believe that the consolidated financial statements referred to above are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” as endorsed and issued into effect by the Financial Supervisory Commission, to fairly present the consolidated financial position of AVerMedia Technology Inc. and its subsidiaries as of June 30, 2025 and 2024, and their consolidated financial performance and consolidated cash flows for the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024.

The engagement partners on the audit resulting in this independent auditors’ report are Chen Pei-Te and Liu Yi-Ching

Deloitte & Touche
Taipei, Taiwan
Republic of China
August 13, 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 audit such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors’ 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’ report and consolidated financial statements shall prevail.

AVerMedia Technologies Inc. and subsidiaries
Consolidated Balance Sheets
As of June 30, 2025, December 31, 2024, and June 30, 2024

Unit: In Thousands of New Taiwan Dollars

Code	Assets	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and Cash Equivalents (Note 6)	\$ 1,985,688	35	\$ 2,379,750	41	\$ 2,411,486	39
1110	Financial Assets at Fair Value through Profit or Loss (Note 7)	81,945	1	40,283	1	61,813	1
1136	Financial assets at amortized cost (Notes 9 and 29)	32,230	1	78,094	1	243,860	4
1150	Notes Receivables	-	-	1,373	-	1,234	-
1170	Accounts Receivable (Note 10)	482,712	9	363,886	6	482,536	8
1200	Other Receivables	17,056	-	13,230	-	14,205	-
1220	Current tax assets	28,040	-	33,248	-	30,671	1
130X	Inventories (Note 11)	551,392	10	561,706	10	610,321	10
1470	Other Current Assets	97,898	2	97,329	2	100,606	2
11XX	Total Current Assets	<u>3,276,961</u>	<u>58</u>	<u>3,568,899</u>	<u>61</u>	<u>3,956,732</u>	<u>65</u>
	Non-current Assets						
1517	Financial assets at fair value through other comprehensive income (Note 8)	60,000	1	60,000	1	-	-
1600	Property, plant and equipment (Notes 13 and 29)	1,411,411	25	1,444,564	25	1,561,701	25
1755	Right-of-use assets (Note 14)	72,275	1	81,608	1	94,374	2
1760	Investment property (Notes 15)	608,899	11	395,780	7	303,427	5
1780	Intangible assets	11,772	-	17,427	-	14,915	-
1840	Deferred income tax assets	217,411	4	203,603	4	170,169	3
1900	Other Non-current Assets (Note 29)	20,553	-	51,874	1	19,935	-
15XX	Total Non-current assets	<u>2,402,321</u>	<u>42</u>	<u>2,254,856</u>	<u>39</u>	<u>2,164,521</u>	<u>35</u>
1XXX	Total Assets	<u>\$ 5,679,282</u>	<u>100</u>	<u>\$ 5,823,755</u>	<u>100</u>	<u>\$ 6,121,253</u>	<u>100</u>
	Liabilities and Equity						
	Current liabilities						
2100	Short-term loans (Notes 16 and 29)	\$ 580,000	10	\$ 580,000	10	\$ 750,000	12
2170	Accounts payables	264,765	5	195,819	3	268,569	4
2200	Other payables (Notes 17)	555,450	10	502,831	9	522,878	9
2230	Current tax liabilities	32,724	1	57,735	1	38,967	1
2250	Provision for liabilities (Note 18)	11,279	-	9,703	-	7,825	-
2280	Lease liabilities (Note 14)	23,370	-	22,997	1	25,356	1
2320	Long-term liabilities-current portion (Note 16 and 29)	9,978	-	2,948	-	2,919	-
2365	Refund Liabilities	93,075	2	71,651	1	68,676	1
2399	Other Current Liabilities	6,778	-	8,699	-	14,318	-
21XX	Total current liabilities	<u>1,577,419</u>	<u>28</u>	<u>1,452,383</u>	<u>25</u>	<u>1,699,508</u>	<u>28</u>
	Non-current Liabilities						
2540	Long-term loans (Notes 16 and 29)	191,556	3	60,052	1	61,534	1
2550	Provision for liabilities (Note 18)	46,073	1	44,824	1	52,767	1
2570	Deferred income tax liabilities	22,679	1	30,285	1	14,883	-
2580	Lease liabilities (Note 14)	56,314	1	65,017	1	73,987	1
2600	Other non-current liabilities	14,852	-	16,434	-	16,193	-
25XX	Total non-current liabilities	<u>331,474</u>	<u>6</u>	<u>216,612</u>	<u>4</u>	<u>219,364</u>	<u>3</u>
2XXX	Total liabilities	<u>1,908,893</u>	<u>34</u>	<u>1,668,995</u>	<u>29</u>	<u>1,918,872</u>	<u>31</u>
	Equity attributable to owners of the Company (Notes 20 and 25)						
3110	Common Share Capital	1,576,189	28	1,576,189	27	1,576,689	26
3200	Capital Surplus	763,802	13	763,802	13	760,160	13
	Retained Earnings						
3310	Legal Capital Reserve	491,192	9	491,192	9	491,192	8
3320	Special Capital Reserves	-	-	141,695	2	141,695	2
3350	Unappropriated Earnings	505,202	9	520,360	9	553,837	9
3300	Total Retained Earnings	996,394	18	1,153,247	20	1,186,724	19
3400	Other Equity Interests	(32,083)	(1)	(28,991)	-	(42,500)	(1)
3500	Treasury Stock	(609,412)	(11)	(554,649)	(10)	(517,183)	(8)
31XX	Equity attributable to shareholders of the parent	2,694,890	47	2,909,598	50	2,963,890	49
36XX	Non-controlling interests (Note 12)	1,075,499	19	1,245,162	21	1,238,491	20
3XXX	Total equity	<u>3,770,389</u>	<u>66</u>	<u>4,154,760</u>	<u>71</u>	<u>4,202,381</u>	<u>69</u>
	Total Liabilities and Equity	<u>\$ 5,679,282</u>	<u>100</u>	<u>\$ 5,823,755</u>	<u>100</u>	<u>\$ 6,121,253</u>	<u>100</u>

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

AVerMedia Technologies Inc. and subsidiaries
Consolidated Statements of Comprehensive Income

For the Periods April 1 to June 30, 2025, April 1 to June 30, 2024, January 1 to June 30, 2025, and January 1 to June 30, 2024

Unit: NT\$ thousand; NT\$ for loss per share

Code		April 1 to June 30, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net Revenue (Note 21)	\$ 883,881	100	\$ 881,330	100	\$ 1,649,279	100	\$ 1,643,984	100
5000	Cost of Revenue (Note 11 and 22)	<u>399,049</u>	<u>45</u>	<u>342,359</u>	<u>39</u>	<u>735,393</u>	<u>45</u>	<u>692,111</u>	<u>42</u>
5900	Gross Profit	<u>484,832</u>	<u>55</u>	<u>538,971</u>	<u>61</u>	<u>913,886</u>	<u>55</u>	<u>951,873</u>	<u>58</u>
	Operating expenses (Notes 10 and 22)								
6100	Marketing	274,227	31	291,863	33	558,042	34	552,700	34
6200	General and administrative expenses	43,987	5	54,021	6	88,172	5	100,671	6
6300	Research and development expenses	164,895	19	170,915	19	330,718	20	343,069	21
6450	Expected credit impairment (reversal gain) loss	<u>330</u>	<u>-</u>	<u>(254)</u>	<u>-</u>	<u>(689)</u>	<u>-</u>	<u>809</u>	<u>-</u>
6000	Total Operating Expenses	<u>483,439</u>	<u>55</u>	<u>516,545</u>	<u>58</u>	<u>976,243</u>	<u>59</u>	<u>997,249</u>	<u>61</u>
6900	Net Operating Income (loss)	<u>1,393</u>	<u>-</u>	<u>22,426</u>	<u>3</u>	<u>(62,357)</u>	<u>(4)</u>	<u>(45,376)</u>	<u>(3)</u>
	Non-operating income and expenses (Note 22)								
7100	Interest Income	12,563	1	19,855	2	20,499	1	31,570	2
7190	Other Income	12,727	1	13,537	2	21,768	1	22,304	1
7020	Other Gains and Losses	(160,777)	(18)	9,516	1	(115,647)	(7)	69,779	4
7050	Financial Costs	<u>(4,788)</u>	<u>-</u>	<u>(5,242)</u>	<u>(1)</u>	<u>(9,463)</u>	<u>-</u>	<u>(8,812)</u>	<u>-</u>
7000	Total Non-operating Income and Expenses	<u>(140,275)</u>	<u>(16)</u>	<u>37,666</u>	<u>4</u>	<u>(82,843)</u>	<u>(5)</u>	<u>114,841</u>	<u>7</u>
7900	Net profit (loss) before tax	(138,882)	(16)	60,092	7	(145,200)	(9)	69,465	4
7950	Income tax (profit) expense (Note 4 and 23)	<u>(15,263)</u>	<u>(2)</u>	<u>32,750</u>	<u>4</u>	<u>(503)</u>	<u>-</u>	<u>35,890</u>	<u>2</u>
8200	Net Income (loss)	(123,619)	(14)	27,342	3	(144,697)	(9)	33,575	2
	Other Comprehensive Income Items That May Be Reclassified Subsequently to Profit or Loss:								
8361	Exchange differences arising on translation of foreign operations	<u>(37,749)</u>	<u>(4)</u>	<u>5,611</u>	<u>1</u>	<u>(30,589)</u>	<u>(2)</u>	<u>21,140</u>	<u>1</u>
8500	Total current comprehensive income	<u>(\$ 161,368)</u>	<u>(18)</u>	<u>\$ 32,953</u>	<u>4</u>	<u>(\$ 175,286)</u>	<u>(11)</u>	<u>\$ 54,715</u>	<u>3</u>
	Net profit (loss) attributed to								
8610	Shareholders of the parent	(\$ 103,591)	(12)	(\$ 14,871)	(2)	(\$ 125,329)	(8)	(\$ 17,854)	(1)
8620	Non-controlling interests	<u>(20,028)</u>	<u>(2)</u>	<u>42,213</u>	<u>5</u>	<u>(19,368)</u>	<u>(1)</u>	<u>51,429</u>	<u>3</u>
8600		<u>(\$ 123,619)</u>	<u>(14)</u>	<u>\$ 27,342</u>	<u>3</u>	<u>(\$ 144,697)</u>	<u>(9)</u>	<u>\$ 33,575</u>	<u>2</u>
	Total comprehensive income attributable to								
8710	Shareholders of the parent	(\$ 121,428)	(14)	(\$ 12,289)	(1)	(\$ 139,657)	(9)	(\$ 7,836)	(1)
8720	Non-controlling interests	<u>(39,940)</u>	<u>(4)</u>	<u>45,242</u>	<u>5</u>	<u>(35,629)</u>	<u>(2)</u>	<u>62,551</u>	<u>4</u>
8700		<u>(\$ 161,368)</u>	<u>(18)</u>	<u>\$ 32,953</u>	<u>4</u>	<u>(\$ 175,286)</u>	<u>(11)</u>	<u>\$ 54,715</u>	<u>3</u>
	Loss per share (Note 24)								
9710	Basic Earnings Per Share	<u>(\$ 0.80)</u>		<u>(\$ 0.11)</u>		<u>(\$ 0.96)</u>		<u>(\$ 0.13)</u>	
9810	Diluted Earnings Per Share	<u>(\$ 0.80)</u>		<u>(\$ 0.11)</u>		<u>(\$ 0.96)</u>		<u>(\$ 0.13)</u>	

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

AVerMedia Technologies Inc. and subsidiaries
Consolidated Statement of Changes in Equity
January 1 to June 30, 2025 and 2024

Unit: In thousands of New Taiwan dollars, unless specified otherwise

		Equity attributable to the owners of the Company												
		Common Share Capital			Retained Earnings				Other Equity Interests					
		Shares (In Thousands)	Amount	Capital Surplus	Legal Capital Reserve	Special Capital Reserves	Unappropriated Earnings	Total	Exchange differences arising on translation of foreign operations	Unearned Stock-Based Employee Compensation	Treasury Stock	Total	Non-controlling interests	Equity Total
A1	Balance at January 1, 2024	158,069	\$ 1,580,689	\$ 756,160	\$ 491,015	\$ 285,082	\$ 452,191	\$ 1,228,288	\$ 1,735	(\$ 67,461)	(\$ 517,183)	\$ 2,982,228	\$ 1,238,292	\$ 4,220,520
	2023 Appropriations of Earnings													
B1	Legal Capital Reserve	-	-	-	177	-	(177)	-	-	-	-	-	-	-
B3	Special Capital Reserves	-	-	-	-	(143,387)	143,387	-	-	-	-	-	-	-
B5	Cash Dividends to shareholders	-	-	-	-	-	(23,710)	(23,710)	-	-	-	(23,710)	-	(23,710)
D1	Net profit (loss) from January 1 to June 30, 2024	-	-	-	-	-	(17,854)	(17,854)	-	-	-	(17,854)	51,429	33,575
D3	Other comprehensive income (loss) after tax from January 1 to June 30, 2024	-	-	-	-	-	-	-	10,018	-	-	10,018	11,122	21,140
D5	Total comprehensive income from January 1 to June 30, 2024	-	-	-	-	-	(17,854)	(17,854)	10,018	-	-	(7,836)	62,551	54,715
T1	Cancellation of Restricted Stock Awards	(400)	(4,000)	4,000	-	-	-	-	-	-	-	-	-	-
N1	Share-Based Benefit Transactions – Restricted Stock Awards	-	-	-	-	-	-	-	-	13,208	-	13,208	-	13,208
O1	Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(62,352)	(62,352)
Z1	Balance, June 30, 2024	157,669	\$ 1,576,689	\$ 760,160	\$ 491,192	\$ 141,695	\$ 553,837	\$ 1,186,724	\$ 11,753	(\$ 54,253)	(\$ 517,183)	\$ 2,963,890	\$ 1,238,491	\$ 4,202,381
A1	Balance at January 1, 2025	157,619	\$ 1,576,189	\$ 763,802	\$ 491,192	\$ 141,695	\$ 520,360	\$ 1,153,247	\$ 12,055	(\$ 41,046)	(\$ 554,649)	\$ 2,909,598	\$ 1,245,162	\$ 4,154,760
	2024 Appropriations of Earnings													
B3	Special Capital Reserves	-	-	-	-	(141,695)	141,695	-	-	-	-	-	-	-
B5	Cash Dividends to shareholders	-	-	-	-	-	(31,524)	(31,524)	-	-	-	(31,524)	-	(31,524)
D1	Net loss from January 1 to June 30, 2025	-	-	-	-	-	(125,329)	(125,329)	-	-	-	(125,329)	(19,368)	(144,697)
D3	Other comprehensive income (loss) after tax from January 1 to June 30, 2025	-	-	-	-	-	-	-	(14,328)	-	-	(14,328)	(16,261)	(30,589)
D5	Total comprehensive income from January 1 to June 30, 2025	-	-	-	-	-	(125,329)	(125,329)	(14,328)	-	-	(139,657)	(35,629)	(175,286)
N1	Share-Based Benefit Transactions – Restricted Stock Awards	-	-	-	-	-	-	-	-	11,236	-	11,236	-	11,236
L5	Shares of Parent Company Purchased by a Subsidiary are Considered Treasury Stock	-	-	-	-	-	-	-	-	-	(54,763)	(54,763)	(54,932)	(109,695)
O1	Cash dividends to shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(79,102)	(79,102)
Z1	Balance, June 30, 2025	157,619	\$ 1,576,189	\$ 763,802	\$ 491,192	\$ -	\$ 505,202	\$ 996,394	(\$ 2,273)	(\$ 29,810)	(\$ 609,412)	\$ 2,694,890	\$ 1,075,499	\$ 3,770,389

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

AVerMedia Technologies Inc. and subsidiaries

Consolidated Statements of Cash Flows

January 1 to June 30, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

Code		January 1 to June 30, 2025	January 1 to June 30, 2024
	Cash Flows from Operating Activities		
A10000	Net profit (loss) before tax	(\$ 145,200)	\$ 69,465
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation Expense	73,187	83,166
A20200	Amortization Expense	6,029	9,351
A20300	Expected credit impairment (reversal gain) loss	(689)	809
A20400	Net loss on financial instruments measured at fair value through profit or loss	(3,930)	(1,453)
A20900	Financial Costs	9,463	8,812
A21200	Interest Income	(20,499)	(31,570)
A21900	Remuneration costs of employee share options	11,236	13,208
A22500	Losses on disposal of property, plant and equipment	26	547
A23700	Inventory Write-down and Impairment Reversal	14,476	11,873
A24100	Net loss (gain) on foreign currency exchange	101,212	(44,387)
A29900	Recognition of Provisions for liabilities	9,896	7,873
A30000	Changes in Operating Assets and Liabilities		
A31115	Financial instruments at fair value through profit or loss	(37,732)	60,315
A31130	Notes Receivables	1,373	744
A31150	Accounts Receivables	(152,482)	(107,237)
A31180	Other Receivables	(4,300)	(3,769)
A31200	Inventories	(28,625)	99
A31240	Other Current Assets	(2,882)	(25,310)
A32150	Accounts payables	104,423	115,166
A32180	Other Payables	(55,321)	(32,121)
A32200	Provisions for liabilities	(7,065)	(5,958)
A32230	Other Current Liabilities	(1,564)	4,814
A32990	Refund Liabilities	30,219	4,605
A32990	Other non-current liabilities	(959)	(2,544)
A33000	Cash inflow (outflow) from operations	(99,708)	136,498
A33300	Interest Paid	(9,240)	(9,328)
A33500	Income tax refunded (paid)	(45,939)	27,957

(Continued)

(Brought forward)

Code		January 1 to June 30, 2025	January 1 to June 30, 2024
AAAA	Net cash inflow (outflow) from operating activities	(\$ 154,887)	\$ 155,127
	Cash Flows from Investing Activities		
B00040	Acquisition of Financial Assets at Amortized Cost	-	(42,863)
B00050	Proceeds from disposal of Financial Assets at Amortized Cost	45,595	51,254
B02700	Acquisition of Property, Plant and Equipment	(23,848)	(32,127)
B02800	Proceeds from Disposal of Property, Plant and Equipment	-	2,173
B03700	Decrease (increase) in Guarantee Deposits	(315)	2,975
B04500	Acquisition of Intangible Assets	(423)	(748)
B05400	Acquisition of investment properties	(182,560)	-
B07500	Interests Received	<u>20,923</u>	<u>31,146</u>
BBBB	Net cash inflow (outflow) from Financing Activities	(<u>140,628</u>)	<u>11,810</u>
	Cash Flows from Financing Activities		
C00100	Net decrease in short-term loans	-	(30,000)
C01600	Proceeds from Long-term Loans	140,000	-
C01700	Repayment of Long-term debt payable	(1,466)	(1,450)
C03000	Increase in guarantee deposits received	-	55
C04020	Repayments of the principal portion of lease liabilities	(14,424)	(14,086)
C04900	Purchase of shares of the parent company by subsidiaries	(<u>109,695</u>)	<u>-</u>
CCCC	Net Cash Inflows from Financing Activities (Outflows)	<u>14,415</u>	(<u>45,481</u>)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	(<u>112,962</u>)	<u>71,447</u>
EEEE	Increase (decrease) in cash and cash equivalents	(394,062)	192,903
E00100	Cash and Cash Equivalents, Beginning of Year	<u>2,379,750</u>	<u>2,218,583</u>
E00200	Balance, end of period of cash and cash equivalents	<u>\$ 1,985,688</u>	<u>\$ 2,411,486</u>

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

AVerMedia Technologies Inc. and subsidiaries

Notes to the Consolidated Financial Statements

January 1 to June 30, 2025 and 2024

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

I. General

AVerMedia Technologies Inc. (hereinafter referred to as the Company) was founded in January 1990. The main businesses are the sales and research and development of computer system facilities and multimedia products. The Company was listed on the Taipei Exchange in May 1997 and the Taiwan Stock Exchange in September 2000.

The consolidated financial statements are expressed in NT\$, which is the Company's functional currency.

II. The Authorization of Financial Statements

These accompanying consolidated financial statements were reported to the Board of Directors on August 13, 2025.

III. Application of New and Revised Financial Reporting Standards

- (I) Initial application of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as “FSC”) endorsed and issued into effect by the Financial Supervisory Commission (“FSC”). “IFRS Accounting Standards”)

The application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Company’s accounting policies

- (II) The IFRS endorsed by the FSC with effective date starting 2026

New, revised or amended standards and interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to Financial Instruments: Classification and Measurement”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
“Annual Improvements to IFRS Standards – Cycle 11”	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023

As of the publication date of the consolidated financial statements, the Company is still assessing the effects of the various amendments on its financial situation and performance. The related effects will be disclosed once the assessment is complete.

- (III) IFRS accounting standards issued by the IASB but not yet endorsed and issued into effect by the FSC

New, revised or amended standards and interpretations	Effective Date Issued by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Affiliate or Joint Venture”	Undecided
IFRS 18 “Presentation and Disclosure of Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless otherwise noted, the new, revised or Amended standards or interpretations shall be effective in the annual report period of these dates.

IFRS 18 “Presentation and Disclosure of Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements” and the main changes include:

- The income and loss items should be divided into business, investment, financing, income tax, and discontinued operations.
- The income statement should present operating profit or loss, profit or loss before financing and tax, as well as subtotal and total profit and loss.
- Provide guidance to strengthen the requirements of aggregation and segmentation: The consolidated company must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events. These items should be classified and aggregated based on shared characteristics to ensure that each line item in the primary financial statements possesses at least one similar characteristic. Items with experiences in similar should body be broken down in the main financial statements and notes. The consolidated company only marks such items as “others” when no more informative label can be found.
- Increase the disclosure of management-defined performance measures: When the Group engages in public communication outside of the financial statements or communicates with users of the financial statements regarding management’s

perspective on a particular aspect of the company's overall financial performance, it should disclose relevant information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, its reconciliation with subtotals or totals specified by IFRS accounting standards, and the impact of related reconciling items on income taxes and non-controlling interests.

Except for the above impact, as of the date the accompanying consolidated financial statements were issued, the Group continues to evaluate the impact on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations and related applicable period. The related impact will be disclosed when the Company completes its evaluation.

IV. Summary of the Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC. The consolidated financial statement does not contain all the information disclosed in the annual financial statements as required by IFRS accounting standards.

(II) Basis of preparation

Apart from the financial instruments measured at fair value, the consolidated financial statements have been prepared on a historical cost basis.

Based on the observability and importance of the related input value, the fair value measurement will be divided from Level 1 to Level 3:

1. Level 1 input value: It refers to the quotation of the same asset or liability that can be acquired on the measurement date in the active market (unadjusted).
2. Level 2 input value: It refers to the direct (which is the price) or indirect (which is derived from the price) observable input value, apart from the Level 1 quotation, of the asset or liability.
3. Level 3 input value: It refers to the unobservable input value of the asset or liability.

(III) Basis of consolidation

The consolidated financial statements consist of the financial statement of the Company and the financial statements of the entities (subsidiaries) controlled by the Company. The financial statements of subsidiaries have been adjusted so that the

accounting policies are consistent with the Group. When preparing the consolidated financial statements, the transactions, account balances, profit and loss among all entities have been written off. The comprehensive income of subsidiaries belongs to the company's owners and non-controlling interest despite the non-controlling interest becoming the loss balance.

Please refer to Note 12 and Tables 5 and 6 for details of subsidiaries, shareholding ratio and main business.

(IV) Other significant accounting policies

In addition to the following, please refer to the summary of significant accounting policies in the 2024 consolidated financial statements.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred income tax. The interim period income tax expense is accrued using the tax rate that would be applied to expected total annual earning, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

V. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

Please refer to the consolidated financial statements for the year ended December 31, 2024 for the major sources of uncertainty of the major accounting judgments, estimates and assumptions used in this consolidated financial statement.

VI. Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and petty cash	\$ 1,507	\$ 1,526	\$ 1,575
Checking and demand deposits	1,469,431	1,753,729	1,621,393
Cash equivalents (Investments with original maturities of less than three months)			
Bank time deposits	514,750	624,495	788,518
	<u>\$ 1,985,688</u>	<u>\$ 2,379,750</u>	<u>\$ 2,411,486</u>

VII. Financial Instruments Measured at Fair Value through Profit or Loss

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Financial assets – current</u>			
Mandatorily measured at FVTPL			
Derivatives instruments (non-hedging)			
- Forward exchange contracts	\$ 1,797	\$ -	\$ 984
Non-Derivative Financial Assets			
- Beneficiary Certificates of Funds	<u>80,148</u>	<u>40,283</u>	<u>60,829</u>
	<u>\$ 81,945</u>	<u>\$ 40,283</u>	<u>\$ 61,813</u>

At the balance sheet date, outstanding forward foreign exchange contracts not designated as hedging instruments for hedge accounting were as follows:

	<u>Currency</u>	<u>Last maturity date</u>	<u>Contract amount (In Thousands)</u>
<u>June 30, 2025</u>			
Forward foreign exchange sold	EUR: NT\$	2025.4.11~2025.7.25	EUR 960/ NTD 35,438
<u>June 30, 2024</u>			
Forward foreign exchange sold	EUR: NT\$	2024.6.4~2024.8.27	EUR 1,900/ NTD 66,709

The purpose of the Group engaging in forward exchange transactions is to avoid the risks derived from the exchange rate volatility of foreign currency assets and liabilities.

VIII. Financial assets at fair value through other comprehensive income

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Equity Instrument</u>			
<u>Investments –</u>			
<u>Non-Current</u>			
Unlisted Domestic Stocks			
Taiwan			
Bio-Manufacturing Corporation	<u>\$ 60,000</u>	<u>\$ 60,000</u>	<u>\$ -</u>

The Group invests in common shares of Taiwan Bio-Manufacturing Corporation for mid- to long-term strategic purposes and expects to generate profits through long-term investment. The management of the consolidated company believes that

including short-term fair value fluctuations of such investments in profit or loss would be inconsistent with the aforementioned long-term investment plan. Therefore, it has elected to designate these investments as measured at fair value through other comprehensive income.

IX. Financial Assets Measured at Amortized Costs

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Time deposits with exceed maturities of less than three months	\$ -	\$ 28,916	\$ -
Restricted demand deposits	32,230	-	59,384
Restricted time deposits	-	49,178	184,476
	<u>\$ 32,230</u>	<u>\$ 78,094</u>	<u>\$ 243,860</u>

Please refer to Note 29 for information on financial assets measured at amortized cost that have been pledged as collateral.

X. Accounts Receivables

	June 30, 2025	December 31, 2024	June 30, 2024
Measured at amortized costs			
Gross carrying amount	\$ 487,993	\$ 369,858	\$ 488,489
Less: Allowance for impairment loss	(5,281)	(5,972)	(5,953)
	<u>\$ 482,712</u>	<u>\$ 363,886</u>	<u>\$ 482,536</u>

The average credit period for product sales of the Group is 30 to 120 days. No interests are calculated for the accounts receivables. To reduce the credit risk, the management of the Group assigns a task force, which is responsible for the determination of the line of credit, credit approval, and other monitoring procedures to ensure proper actions are taken for the recovery of Past due receivables. In addition, the Group reviews the recoverable amount of receivables individually at the end of the reporting period to ensure the receivables that cannot be recovered are properly recognized in impairment loss. Therefore, the management of the Group believes the credit risks of the Group have been reduced significantly.

The Group allows for expected credit losses that permit the use of lifetime expected loss allowance for all trade receivables. The expected credit losses are estimated using a provision matrix by reference to the customer's past default experience and the current financial position and general economic conditions of the

industry. The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, so the loss allowance based on the past due status is not further distinguished according to the different segments of the Group's customer base.

The Group has insured the accounts receivables for some of the main customers. The coverage ratio is 80% to 90% of the approved insurance amount. When determining the estimated credit loss rate based on the day of past due accounts receivables, the recoverable amount from the insurance has been taken into consideration.

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

The following table shows the details of the loss allowance of trade receivables based on the Group's provision matrix:

June 30, 2025

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	\$ 412,670	\$ 58,465	\$ 13,691	\$ 306	\$ 2,861	\$ 487,993
Loss allowance (lifetime expected credit loss)	(1,026)	(1,031)	(97)	(266)	(2,861)	(5,281)
Amortized cost	<u>\$ 411,644</u>	<u>\$ 57,434</u>	<u>\$ 13,594</u>	<u>\$ 40</u>	<u>\$ -</u>	<u>\$ 482,712</u>

December 31, 2024

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	\$ 288,468	\$ 69,917	\$ 8,612	\$ -	\$ 2,861	\$ 369,858
Loss allowance (lifetime expected credit loss)	(397)	(781)	(1,933)	-	(2,861)	(5,972)
Amortized cost	<u>\$ 288,071</u>	<u>\$ 69,136</u>	<u>\$ 6,679</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,886</u>

June 30, 2024

	Not past due	Past due 1 to 30 days	Past due 31 to 90 days	Past due 91 to 180 days	Past due Over 181 days	Total
Gross carrying amount	\$ 390,306	\$ 76,104	\$ 12,257	\$ 3,296	\$ 6,526	\$ 488,489
Loss allowance (lifetime expected credit loss)	(<u>323</u>)	(<u>994</u>)	(<u>592</u>)	(<u>229</u>)	(<u>3,815</u>)	(<u>5,953</u>)
Amortized cost	<u>\$ 389,983</u>	<u>\$ 75,110</u>	<u>\$ 11,665</u>	<u>\$ 3,067</u>	<u>\$ 2,711</u>	<u>\$ 482,536</u>

The movements of the loss allowance of accounts receivables are as follows:

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Balance, beginning of period	\$ 5,972	\$ 5,143
Add: Impairment loss recognized in the current period	-	809
Less: Impairment loss reversed in current period	(689)	-
Effect of exchange rate changes	(<u>2</u>)	<u>1</u>
Balance, end of period	<u>\$ 5,281</u>	<u>\$ 5,953</u>

XI. Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Finished goods	\$ 214,040	\$ 274,984	\$ 253,155
Work in processing	61,825	39,341	75,292
Raw materials	<u>275,527</u>	<u>247,381</u>	<u>281,874</u>
	<u>\$ 551,392</u>	<u>\$ 561,706</u>	<u>\$ 610,321</u>

The nature of Cost of revenue is as follows:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Costs of sold inventories	\$ 391,122	\$ 337,434	\$ 720,917	\$ 680,238
Inventory Write-down and Impairment Reversal	<u>7,927</u>	<u>4,925</u>	<u>14,476</u>	<u>11,873</u>
	<u>\$ 399,049</u>	<u>\$ 342,359</u>	<u>\$ 735,393</u>	<u>\$ 692,111</u>

XII. Subsidiaries

(I) Subsidiaries included in the consolidated financial statements

The entities in the consolidated financial statements are as follows:

Investor company	Name of subsidiary	Main Businesses and Products	Percentage of Ownership			Explanation
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	AVer Information Inc. (AVer Information)	Sales, manufacturing and research and development of computer system equipment, presentation and video conference system products	49.92%	49.92%	49.92%	1
	AVerMedia Technologies (Shanghai), Inc. (AVerMedia Shanghai)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVERMEDIA TECHNOLOGIES, INC. (USA)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVERMEDIA TECHNOLOGIES, INC. (Japan)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVT Solutions GmbH. (AVerMedia Germany)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	-
	AVERMEDIA Information (SPAIN) SL (AVerMedia Spain)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	2
	AVerMedia Korea Inc. (AVerMedia Korea)	Sales of video and audio capture and internet video streaming products	100.00%	100.00%	100.00%	3
	AVer Information Inc. (USA)	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
AVer Information	AVer Information EUROPE B.V.	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	AVer Information Inc. (Japan)	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	AVer Information (Vietnam) Co., Ltd.	Sales of computer system equipment, presentation and video conference system products	100.00%	100.00%	100.00%	-
	Yuan Chen Investment Inc.	General Investment	100.00%	100.00%	100.00%	-

1. The Company holds 49.92% of AVer Information Inc.'s shares. Since AVer is a listed company, the remaining 50.08% of the shares are held by thousands of shareholders, and these shareholders are not related to the Company. AVer is listed as a subsidiary company because the Company determined that it has the substantive ability to lead AVer's relevant activities based on the absolute number, relative scale and distribution of voting rights held by other shareholders.
2. Due to the adjustment of the business strategy in the European market, in order to simplify the group organization and cost control, the Company's Board of Directors resolved on March 13, 2024 to organize the dissolution and clearing

of AVERMEDIA Information (SPAIN) SL. The liquidation process is currently underway.

3. As approved by the Board of Directors on January 25, 2024, in response to the business marketing needs of developing the Korean market, the Company established the Korean subsidiary, AverMedia Korea Inc., to further operate the Korean market in the long term, and the establishment was completed on April 3, 2024.

Except for AVer Information, which is a significant subsidiary, the other subsidiaries are non-significant, and their financial reports have not been reviewed by an auditor.

(II) Subsidiary with significant non-controlling interest

Name of subsidiary	Number of shares held of non-controlling interest and the voting right ratio		
	December 31,		
	June 30, 2025	2024	June 30, 2024
AVer Information	50.08%	50.08%	50.08%

Please refer to Tables 6 for the country of the main business location and corporate registration.

Name of subsidiary	Profit or loss distributed to non-controlling interest				Non-controlling interests		
	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024	June 30, 2025	December 31, 2024	June 30, 2024
AVer Information	(\$ 20,028)	\$ 42,213	(\$ 19,368)	\$ 51,429	\$1,075,499	\$1,245,162	\$1,238,491

The consolidated financial information of the following subsidiaries is prepared based on the amounts before the elimination of intercompany transactions:

AVer Information and its subsidiaries

	December 31,		
	June 30, 2025	2024	June 30, 2024
Current Assets	\$ 2,147,433	\$ 2,274,076	\$ 2,566,369
Non-current Assets	2,278,730	2,485,722	2,335,471
Current liabilities	(1,189,375)	(994,902)	(1,287,497)
Non-current Liabilities	(135,341)	(146,276)	(142,502)
Equity	<u>\$ 3,101,447</u>	<u>\$ 3,618,620</u>	<u>\$ 3,471,841</u>
Equity attributed to:			
Shareholders of the parent	\$ 1,548,338	\$ 1,806,527	\$ 1,733,251
Non-controlling interest of AVer Information	<u>1,553,109</u>	<u>1,812,093</u>	<u>1,738,590</u>
	<u>\$ 3,101,447</u>	<u>\$ 3,618,620</u>	<u>\$ 3,471,841</u>

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Net Revenue	<u>\$ 684,745</u>	<u>\$ 732,003</u>	<u>\$ 1,242,698</u>	<u>\$ 1,323,638</u>
Net Income (loss)	(\$ 39,991)	\$ 84,296	(\$ 38,675)	\$ 102,700
Other Comprehensive Income	(<u>107,037</u>)	<u>97,975</u>	(<u>320,534</u>)	<u>268,742</u>
Total comprehensive income	(<u>\$ 147,028</u>)	<u>\$ 182,271</u>	(<u>\$ 359,209</u>)	<u>\$ 371,442</u>
Net profit (loss) attributable to:				
Shareholders of the parent	(\$ 19,963)	\$ 42,083	(\$ 19,307)	\$ 51,271
Non-controlling interest of AVer Information	(<u>20,028</u>)	<u>42,213</u>	(<u>19,368</u>)	<u>51,429</u>
	(<u>\$ 39,991</u>)	<u>\$ 84,296</u>	(<u>\$ 38,675</u>)	<u>\$ 102,700</u>
Total comprehensive income attributed to:				
Shareholders of the parent	(\$ 73,401)	\$ 90,995	(\$ 179,328)	\$ 185,437
Non-controlling interest of AVer Information	(<u>73,627</u>)	<u>91,276</u>	(<u>179,881</u>)	<u>186,005</u>
	(<u>\$ 147,028</u>)	<u>\$ 182,271</u>	(<u>\$ 359,209</u>)	<u>\$ 371,442</u>
Cash flow				
Operating activities	(\$ 24,903)	\$ 160,115	(\$ 33,180)	\$ 189,042
Investment activities	(69,947)	869	(86,854)	(16,944)
Financing activities	(5,420)	(2,284)	(10,441)	(10,395)
Effects of exchange rate changes	(<u>96,503</u>)	<u>8,689</u>	(<u>80,241</u>)	<u>31,415</u>
Net cash inflow (outflow)	(<u>\$ 196,773</u>)	<u>\$ 167,389</u>	(<u>\$ 210,716</u>)	<u>\$ 193,118</u>

XIII. Property, plant and equipment

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount of each category</u>			
Land	\$ 539,583	\$ 539,583	\$ 633,463
Buildings	722,701	733,477	749,044
Machinery and Equipment	47,562	62,086	78,710
Computers and Office Equipment	21,043	18,208	19,738
Transportation Equipment	7,134	8,257	4,664
Leasehold improvements	1,883	1,858	2,163
Other Equipment	19,111	25,409	36,106
Construction in progress and equipment pending acceptance	52,394	55,686	37,813
	<u>\$ 1,411,411</u>	<u>\$ 1,444,564</u>	<u>\$ 1,561,701</u>

There were no significant disposals or impairments of the consolidated company's property, plant, and equipment during the periods from January 1 to June 30, 2025 and 2024.

The depreciation expenses are recognized on a straight-line basis over the estimated useful life of the asset:

Buildings	
Main Buildings	40 to 51 years
Accessory equipment of houses	5 to 10 years
Machinery and Equipment	3 to 10 years
Computers and Office Equipment	3 to 10 years
Transportation Equipment	5 to 6 years
Leasehold improvements	3 to 15 years
Other Equipment	2 to 3 years

XIV. Lease agreement

(I) Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of right-of-use assets			
Buildings	<u>\$ 72,275</u>	<u>\$ 81,608</u>	<u>\$ 94,374</u>

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Additions to right-of-use assets			<u>\$ 14,235</u>	<u>\$ 80,469</u>
Depreciation of right-of-use assets				
Buildings	<u>\$ 8,078</u>	<u>\$ 7,732</u>	<u>\$ 16,168</u>	<u>\$ 15,317</u>

Except for the addition of new leases and the recognition of depreciation expenses, there were no significant subleases or impairments of the consolidated company's right-of-use assets during the periods from January 1 to June 30, 2025 and 2024.

(II) Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amounts of lease liabilities			
Current portion	<u>\$ 23,370</u>	<u>\$ 22,997</u>	<u>\$ 25,356</u>
Noncurrent portion	<u>\$ 56,314</u>	<u>\$ 65,017</u>	<u>\$ 73,987</u>

Range of discount rate for lease liabilities:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	0.20%~7.80%	0.001%~7.80%	0.001%~7.80%

(III) Material leasing activities and terms

The Group leased several buildings as offices, plants, and dorms. The lease period is between 1 to 5 years. By the end of the leasing period, the Group does not enjoy the preference purchasing right on the investment properties.

(IV) Other lease information

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Short-term leasing expenses	<u>\$ 30</u>	<u>\$ 113</u>	<u>\$ 74</u>	<u>\$ 309</u>
Total leasing cashing outflow	<u>(\$ 8,830)</u>	<u>(\$ 5,961)</u>	<u>(\$ 17,533)</u>	<u>(\$ 16,201)</u>

XV. Investment property

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Costs</u>			
Balance, beginning of period	\$ 459,787	\$ 365,907	\$ 365,907
Additions	182,560	-	-
Reclassified	32,086	-	-
Internal transfer	-	93,880	-
Balance, end of period	<u>\$ 674,433</u>	<u>\$ 459,787</u>	<u>\$ 365,907</u>
<u>Accumulated depreciation</u>			
Balance, beginning of period	(\$ 64,007)	(\$ 60,953)	(\$ 60,953)
Depreciation Expense	(1,527)	(3,054)	(1,527)
Balance, end of period	<u>(\$ 65,534)</u>	<u>(\$ 64,007)</u>	<u>(\$ 62,480)</u>
Net amount, end of period	<u>\$ 608,899</u>	<u>\$ 395,780</u>	<u>\$ 303,427</u>

The useful lives of investment properties are depreciated on a 25-to-51-year straight-line basis.

The fair value of the Group's investment properties was estimated by management with reference to the transaction prices of similar properties in nearby areas.

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value	<u>\$1,263,950</u>	<u>\$1,141,862</u>	<u>\$1,050,054</u>

The leasing period for investment properties is 1 to 3 years. The lessee agrees to adjust the rent according to the market rent when exercising the right to renew the lease. By the end of the leasing period, the lessees do not enjoy the preference purchasing right on the investment properties.

The total amount of lease payments expected to be received in the future for the lease of investment properties under operating leases is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
1 year	\$ 33,826	\$ 21,803	\$ 25,860
1 to 5 years	<u>16,973</u>	<u>24,719</u>	<u>34,606</u>
	<u>\$ 50,799</u>	<u>\$ 46,522</u>	<u>\$ 60,466</u>

Please refer to Note 29 for the amount of property, plant and equipment that the Consolidated Company pledged to secure bank borrowings.

XVI. Loans

(I) Short-term loans

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured loans	<u>\$ 550,000</u>	<u>\$ 550,000</u>	<u>\$ 550,000</u>
Annual rate of interest (%)	1.90%~1.96%	1.85%~1.92%	1.77%~1.84%
Last maturity date	2025/10/17	2025/1/20	2024/7/24
Secured loans	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 200,000</u>
Annual rate of interest (%)	1.82%	1.78%	1.63%~1.71%
Last maturity date	2025/7/9	2025/1/17	2024/7/24

(II) Long-term loans

	June 30, 2025	December 31, 2024	June 30, 2024
Secured loans	\$ 189,034	\$ 63,000	\$ 64,453
Unsecured loans	<u>12,500</u>	<u>-</u>	<u>-</u>
	201,534	63,000	64,453
Less: Loans classified as the current position	<u>9,978</u>	<u>2,948</u>	<u>2,919</u>
Long-term loans	<u>\$ 191,556</u>	<u>\$ 60,052</u>	<u>\$ 61,534</u>
Annual rate of interest (%)	2.02%~2.05%	2.02%	2.02%
Expected expiry date	2045/6/5	2042/11/1	2042/11/1

XVII. Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Payroll and bonus payables	\$ 177,310	\$ 223,814	\$ 180,417
Dividends payable	110,628	-	86,062
Leave payables	62,549	61,460	58,195
Royalty payable	51,083	50,547	50,905
Remuneration of employees and directors' payables	28,692	34,402	31,625
Others	<u>125,188</u>	<u>132,608</u>	<u>115,674</u>
	<u>\$ 555,450</u>	<u>\$ 502,831</u>	<u>\$ 522,878</u>

XVIII. Provision for liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Warranty – current	\$ 11,279	\$ 9,703	\$ 7,825
Warranty – non-current	<u>46,073</u>	<u>44,824</u>	<u>52,767</u>
	<u>\$ 57,352</u>	<u>\$ 54,527</u>	<u>\$ 60,592</u>

The warranty provisions for liabilities are the present value of the best estimation by the management of the Company on the future economic efficiency outflow resulting

from warranty obligations on the contractual agreement for the sales of products. The estimation uses the historical warranty experience as the basis.

XIX. Retirement Benefit Plans

The pension system under the Labor Pension Act applicable to the Company and the Consolidated Company is a government-managed defined contribution pension plan. The pension is allocated at 6% of employees' monthly salaries to the Bureau of Labor Insurance in individual accounts.

The subsidiaries of the Group recognize the pension expenses in accordance with local laws and regulations.

XX. Equity

(I) Common stock

	June 30, 2025	December 31, 2024	June 30, 2024
Number of shares authorized (in thousands of shares)	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>
Amount of shares authorized	<u>\$ 3,200,000</u>	<u>\$ 3,200,000</u>	<u>\$ 3,200,000</u>
Number of shares issued and fully paid (in thousands of shares)	<u>157,619</u>	<u>157,619</u>	<u>157,669</u>
Amount of shares issued	<u>\$ 1,576,189</u>	<u>\$ 1,576,189</u>	<u>\$ 1,576,689</u>

The face value of each share issued is NT\$ 10, and each share enjoys one voting right and the right to collect dividends. 20,000 thousand of the aforementioned amount of shares authorized were retained for the issuance of employee stock option certificates.

Due to the resignation of employees who were allocated restricted shares in 2024, the Company withdrew 450 thousand restricted employee shares, respectively, and completed the cancellation registration.

On June 20, 2024, the Company resolved in the shareholders' meeting to issue new shares for cash capital increase through private placement, within the limit of 40,000 thousand common shares. However, this has not yet been executed and the issuance deadline is about to expire. The Board of Directors resolved on March 11, 2025 to suspend the private placement for the remainder of the term. In addition, the Company's board of directors proposed to issue new shares through private placement for cash issue, within the limit of 40,000 thousand common shares, at a

face value of NT\$10 per share, within one year from the resolution date of the shareholders' meeting, either at once or in installments.

(II) Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
<u>May be used to offset</u> <u>losses, distribute cash or</u> <u>capitalize on share</u> <u>capital (1)</u>			
Additional paid-in capital	\$ 431,007	\$ 431,007	\$ 431,007
Treasury stock transaction	53,198	53,198	50,056
The difference in the sale price of shares and the book value of the equity of actually acquired or disposed subsidiaries	140,257	140,257	140,257
Donated assets	40	40	40
Expired employee share options	6,129	6,129	6,129
Executed employee share options	39,264	39,264	39,264
<u>Can only be used for</u> <u>offsetting deficits</u>			
Recognize the changes in the ownership equity of subsidiaries (2)	14,556	14,556	14,556
<u>Not for any purpose</u>			
Employee restricted shares	79,351	79,351	78,851
	<u>\$ 763,802</u>	<u>\$ 763,802</u>	<u>\$ 760,160</u>

1. This type of capital surplus will be used for offsetting deficits. Where the Company has no deficit, such capital surplus will be distributed in cash or set aside as capital. When setting aside as capital, it is limited to a certain percentage of the Company's paid-in capital on a yearly basis.
2. This type of capital surplus is the equity transaction effects recognized due to the changes in the equity of subsidiaries when the Company does not practically acquire or dispose of the equity of subsidiaries.

(III) Retained earnings and dividend policy

Under the dividend policy set forth in the Articles of Incorporation of the Company, where there is a profit in a fiscal year, the profit shall be first utilized for tax payments, offsetting losses of previous years, and setting aside 10% of the remaining balance as legal reserve. When the legal reserve reaches the paid-in capital,

the profit will be exempted from setting aside as the legal reserve. After setting asides or revering a special reserve in accordance with laws and regulations, the remaining profit together with any undistributed retained earnings of the past year shall be used by the Company's Board of Directors for the distribution of dividends and bonuses for shareholders. Please refer to Note 22(V) Employees' and Directors' Remuneration for the policy on the distribution of employees' and Directors' remuneration in accordance with the Company's Articles of Incorporation.

Besides this, in accordance with the Articles of Incorporation of the Company, the distributed cash dividends each year shall not be less than 10% of the amount for the distribution of dividends and bonuses to shareholders in order to meet the long-term financial planning of the Company and the cash inflow demand of shareholders.

The legal capital reserve shall be distributed until the balance reaches the amount of paid-in capital of the Company. The legal capital reserve will be used for offsetting deficits. When the Company has no deficit, the portion of legal capital reserve exceeding 25% of the paid-in capital can be set aside for capital, but also distributed in cash.

The appropriations of earnings for 2024 and 2023 were approved in the board meeting on June 18, 2025 and the shareholders' meeting on June 20, 2024, respectively. The appropriations are as follows:

	Years Ended December 31,2024	Years Ended December 31,2023
Legal Capital Reserve	\$ <u>-</u>	\$ <u>177</u>
Reversal of Special Capital Reserve	(\$ <u>141,695</u>)	(\$ <u>143,387</u>)
Cash Dividends to shareholders	\$ <u>31,524</u>	\$ <u>23,710</u>
Cash Dividends per Share (NT\$)	\$ <u>0.20</u>	\$ <u>0.15</u>

(IV) Special Capital Reserves

When distributing profits, the company is required to allocate a special retained earnings account in accordance with the laws and regulations for any net reduction in other equity items (such as foreign currency translation differences in financial statements of overseas operating entities) as of the end of the reporting period. Subsequently, when there is a reversal of the net reduction in other equity items, the

company may allocate the reversed portion to the special retained earnings account for profit distribution.

Additionally, when a subsidiary holds the company's shares at a market price lower than their carrying amount, the company is required to make additional provisions to the special retained earnings account based on the difference between the market price and the carrying amount, proportionate to the subsidiary's ownership percentage. Subsequently, if the market price recovers, the company may reverse a portion of the provision in the special retained earnings account.

(V) Treasury stock

Unit: thousand shares

Reason of repurchase	Number of shares at the beginning of the period	Increase in the current period	Decrease in the current period	Number of shares at the end of period
<u>January 1 to June 30, 2025</u>				
Shares of parent company held by subsidiaries	<u>22,711</u>	<u>2,928</u>	<u>-</u>	<u>25,639</u>
<u>January 1 to June 30, 2024</u>				
Shares of parent company held by subsidiaries	<u>20,893</u>	<u>-</u>	<u>-</u>	<u>20,893</u>

To stabilize the long-term operating direction and cultivate the strategic cooperation of both parties to improve the overall operating performance, the subsidiaries held shares of the Company at the end of the reporting period. The information is as follows:

June 30, 2025

Name of subsidiary	Number of shares held (thousand shares)	Acquisition costs	Market price
AVer Information	<u>25,639</u>	<u>\$ 1,220,705</u>	<u>\$ 953,756</u>

December 31, 2024

Name of subsidiary	Number of shares held (thousand shares)	Acquisition costs	Market price
AVer Information	<u>22,711</u>	<u>\$ 1,111,010</u>	<u>\$ 1,132,123</u>

June 30, 2024

<u>Name of subsidiary</u>	<u>Number of shares held (thousand shares)</u>	<u>Acquisition costs</u>	<u>Market price</u>
AVer Information	<u>20,893</u>	<u>\$ 1,035,960</u>	<u>\$ 998,666</u>

The treasury stock held by the Company shall not be pledged and shall not enjoy the right of dividend distribution and voting rights in accordance with the provisions of the Securities and Exchange Act. The shares of the Company held by subsidiaries are treated as treasury stock. As of June 30, 2025, the consolidated financial statements recognized NT\$609,412 thousand as treasury stock and NT\$611,293 thousand as non-controlling interests. Except for the fact that such shares may not participate in the Company's cash capital increases, all other rights are the same as those of ordinary shareholders.

XXI. Revenue

	<u>Three Months Ended June 30, 2025</u>	<u>Three Months Ended June 30, 2024</u>	<u>Six Months Ended to June 30, 2025</u>	<u>Six Months Ended to June 30, 2024</u>
Product sales revenue	\$ 875,647	\$ 853,817	\$ 1,625,808	\$ 1,596,727
Labor and other revenue	<u>8,234</u>	<u>27,513</u>	<u>23,471</u>	<u>47,257</u>
	<u>\$ 883,881</u>	<u>\$ 881,330</u>	<u>\$ 1,649,279</u>	<u>\$ 1,643,984</u>

XXII. Current net profit (loss)

(I) Other income

	<u>Three Months Ended June 30, 2025</u>	<u>Three Months Ended June 30, 2024</u>	<u>Six Months Ended to June 30, 2025</u>	<u>Six Months Ended to June 30, 2024</u>
Rental income	\$ 7,117	\$ 7,155	\$ 14,257	\$ 13,626
Others	<u>5,610</u>	<u>6,382</u>	<u>7,511</u>	<u>8,678</u>
	<u>\$ 12,727</u>	<u>\$ 13,537</u>	<u>\$ 21,768</u>	<u>\$ 22,304</u>

(II) Other gains and losses

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Net gain of financial instruments measured at fair value through profit or loss	\$ 3,919	\$ 1,194	\$ 3,930	\$ 1,453
Foreign currency exchange gain (loss), net	(163,875)	14,385	(117,964)	75,271
Losses on disposal of property, plant and equipment	(14)	(460)	(26)	(547)
Compensation for losses	-	(4,838)	-	(4,838)
Others	(807)	(765)	(1,587)	(1,560)
	<u>(\$ 160,777)</u>	<u>\$ 9,516</u>	<u>(\$ 115,647)</u>	<u>\$ 69,779</u>

(III) Depreciation and amortization

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Property, plant and equipment	\$ 26,866	\$ 32,063	\$ 55,492	\$ 66,322
Right-of-use assets	8,078	7,732	16,168	15,317
Investment properties	764	764	1,527	1,527
Intangible assets	3,305	4,396	6,029	9,351
	<u>\$ 39,013</u>	<u>\$ 44,955</u>	<u>\$ 79,216</u>	<u>\$ 92,517</u>
Summary of depreciation by function				
Cost of Revenue	\$ 13,423	\$ 17,611	\$ 28,969	\$ 36,637
Operating Expenses	21,521	22,184	42,691	45,002
Other Gains and Losses	764	764	1,527	1,527
	<u>\$ 35,708</u>	<u>\$ 40,559</u>	<u>\$ 73,187</u>	<u>\$ 83,166</u>
Summary of amortization by function				
Cost of Revenue	\$ 28	\$ 962	\$ 64	\$ 1,969
Marketing	856	173	1,032	336
General and administrative expenses	1,048	2,506	2,188	5,510
Research and development expenses	1,373	755	2,745	1,536
	<u>\$ 3,305</u>	<u>\$ 4,396</u>	<u>\$ 6,029</u>	<u>\$ 9,351</u>

(IV) Employee benefits expenses

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Short-term employee benefits	\$ 352,605	\$ 370,202	\$ 710,671	\$ 721,332
Post-employment benefits				
Defined contribution plans	10,763	10,470	21,765	21,314
Stock-based compensation				
Equity settlement	<u>5,618</u>	<u>6,604</u>	<u>11,236</u>	<u>13,208</u>
Total employee benefits expenses	<u>\$ 368,986</u>	<u>\$ 387,276</u>	<u>\$ 743,672</u>	<u>\$ 755,854</u>
Summary by function				
Cost of Revenue	\$ 36,856	\$ 38,117	\$ 71,173	\$ 72,823
Operating Expenses	<u>332,130</u>	<u>349,159</u>	<u>672,499</u>	<u>683,031</u>
	<u>\$ 368,986</u>	<u>\$ 387,276</u>	<u>\$ 743,672</u>	<u>\$ 755,854</u>

(V) Remuneration of employees and directors

According to the Articles of Incorporation, the Company shall allocate no less than 5% and no more than 20% for employee remuneration and no more than 2% for director remuneration according to the current year's pre-tax benefits before deducting the employee and director remuneration distribution. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company approved at the 2025 shareholders' meeting the revision of its Articles of Incorporation, stipulating that, based on annual pre-tax profits before deducting employee and director remuneration, no less than 5% and no more than 20% shall be allocated for employee remuneration, of which at least 1% shall be designated for Frontline employees.

The period from January 1 to June 30, 2025 and 2024, are net loss before tax, so employees' remuneration and directors' remuneration are not estimated.

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

Due to the pre-tax net losses for 2023 and 2022, no provisions were made for employee remuneration or directors' remuneration.

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

XXIII. Income tax

(I) Income tax expense recognized in profit or loss

The main components of income tax (benefit) expense are as follows:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Current income tax expense				
Current tax expense recognized in the current period	(\$ 5,159)	\$ 33,099	\$ 10,118	\$ 35,771
Tax collection on Unappropriated Earnings	13,935	-	13,935	-
Income tax adjustments on prior years	(<u>5</u>)	(<u>125</u>)	<u>195</u>	(<u>806</u>)
	<u>8,771</u>	<u>32,974</u>	<u>24,248</u>	<u>34,965</u>
Deferred income tax				
Current tax expense recognized in the current period	(<u>24,034</u>)	(<u>224</u>)	(<u>24,751</u>)	<u>925</u>
Income tax expenses (gains) recognized in profit or loss	(<u>\$ 15,263</u>)	<u>\$ 32,750</u>	(<u>\$ 503</u>)	<u>\$ 35,890</u>

(II) Income tax examination

The years in which the profit-seeking enterprise income tax returns of the Company and its subsidiaries have been approved by the tax collection authority are listed as follows:

Name	Year of approval
AVerMedia Technologies Inc.	Years Ended December 31, 2023
AVer Information	Years Ended December 31, 2023

XXIV. Loss per share

The net loss and the weighted average number of ordinary shares used to calculate the loss per share are as follows:

Net loss for the period

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Net loss used to calculate basic and diluted loss per share	(<u>\$ 103,591</u>)	(<u>\$ 14,871</u>)	(<u>\$ 125,329</u>)	(<u>\$ 17,854</u>)

<u>Number of shares</u>	Unit: thousand shares			
	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended to June 30, 2025	Six Months Ended to June 30, 2024
Weighted average number of ordinary shares used to calculate basic and diluted loss per share	<u>128,818</u>	<u>133,421</u>	<u>130,065</u>	<u>133,421</u>

If the Group offered to settle compensation or bonuses paid to employees in cash or shares, the Group assumed the entire amount of the compensation or bonuses would be settled in shares. If the effect is dilutive, the resulting potential shares were included in the weighted average number of outstanding shares used in the computation of diluted earnings per share. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the next fiscal year.

XXV. Share-based Payment Agreement

Employee Restricted Stock Awards

On November 19, 2020, the company held a special shareholders' meeting and resolved to issue 5,000 thousand shares of restricted stock. On March 24, 2022, the board of directors further resolved to issue 4,115 thousand shares of restricted stock through a non-cash issuance. The record date for the capital increase was set as April 20, 2022. The restricted shares granted to employees will vest at 15%, 30%, and 55% upon completing 3, 4, and 5 years of service, respectively, provided they meet the company's operational goals and individual performance targets.

On August 8, 2024, the Board of Directors resolved to amend the regulations for issuing new shares with restricted employee rights. Employees allocated such shares will vest 45% of the allocated shares upon completing 4 years of service from the grant date, and 55% upon completing 5 years of service, provided they meet the company's operational goals and individual performance indicators.

Until the vesting conditions are met, the allocated shares to employees remain restricted as follows:

- (I) During the vesting period, employees shall not pledge, transfer, give, create, or otherwise dispose of such RSAs to others.
- (II) Apart from the aforementioned restrictions, the rights associated with the restricted employee shares, including but not limited to dividends, bonuses, entitlements to

capital surplus distributions, and subscription rights to cash capital increases, are equivalent to those of the Company's issued common shares.

- (III) Upon issuance of the restricted employee stock units, they should be immediately delivered to a trustee, and employees are not allowed to request the return of the restricted employee stock units from the trustee before meeting the vesting conditions.
- (IV) In the event of a non-statutory reduction of capital, such as cash reduction, during the vesting period, the restricted employee stock units should be canceled proportionally to the reduction. If it is a cash reduction, the refunded cash should be held by the trustee and delivered to employees only after meeting the vesting conditions. However, if the vesting conditions are not met, the company will reclaim the refunded cash.

If an employee violates the employment contract or work rules after receiving the restricted stock options, the company has the right to retrieve and cancel the shares that have been granted but have not yet met the vested conditions without compensation.

If the employee fails to meet the vested conditions, the Company shall recover the restricted employee stocks issued according to law and cancel them without compensation.

The relevant information regarding the issuance of restricted employee stock units is as follows:

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	Shares (In Thousands)	Shares (In Thousands)
Balance, beginning of period	3,305	3,755
Canceled During the Period	-	(400)
Balance, end of period	<u>3,305</u>	<u>3,355</u>

For the periods from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, the remuneration costs recognized due to the issuance of restricted employee shares were NT\$5,618 thousand, NT\$6,604 thousand, NT\$11,236 thousand, and NT\$13,208 thousand, respectively. As of June 30, 2025, December 31, 2024, and June 30, 2024, the balances of unearned employee remuneration were NT\$29,810 thousand, NT\$41,046 thousand, and NT\$54,253 thousand, respectively, and were recognized as deductions from other equity.

XXVI. Capital Risk Management

The Group adopts the business model of in-house R&D and production, and has no major capital expenditure plan currently and in the future. The capital management of the Group is conducted in accordance with the scale of the operation and the future growth and development of the industry to meet the demands of operating funds, expenses for research and development, and dividend expenditures. The Group reviews the capital risk management policy on a regular basis, and the principle is stable and conservative.

The consolidated company's capital structure consists of net debt (i.e. borrowings minus cash and cash equivalents) and equity (i.e. capital stock, capital reserves, retained earnings, and other equity items).

The Group is exempted from other external capital regulations.

XXVII. Financial Instruments

(I) Fair values –financial instruments not measured at fair value

The management of the Group believes that the carrying amount of the financial assets and liabilities not measured at fair value is close to their fair value.

(II) Fair value – financial instruments measured at fair value on a recurring basis

1. Levels of fair value

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Beneficiary Certificates of Funds	\$ 80,148	\$ -	\$ -	\$ 80,148
Forward exchange contracts	-	1,797	-	1,797
	<u>\$ 80,148</u>	<u>\$ 1,797</u>	<u>\$ -</u>	<u>\$ 81,945</u>
<u>Financial assets at fair value through other comprehensive income</u>				
Equity Instrument Investments				
Unlisted Domestic Stocks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Beneficiary Certificates of Funds	\$ 40,283	\$ -	\$ -	\$ 40,283
<u>Financial assets at fair value through other comprehensive income</u>				
Equity Instrument Investments				
Unlisted Domestic Stocks	\$ -	\$ -	\$ 60,000	\$ 60,000

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Beneficiary Certificates of Funds	\$ 60,829	\$ -	\$ -	\$ 60,829
Forward exchange contracts	-	984	-	984
	\$ 60,829	\$ 984	\$ -	\$ 61,813

There was no transfer of fair value measurement between Level 1 and Level 2 during January 1 to June 30 in 2025 and 2024.

2. Assessment method and input of Level 2 financial instruments at fair value

Types of financial instruments	Assessment method and input
Derivatives instruments – Forward exchange contracts	Discounted cash flow method: It is the yield curve derived from the quotation of the forward exchange rate at the end of the period and the quotation interest rate of mature contracts.

3. Assessment method and input of Level 3 financial instruments at fair value

The fair value of the unlisted domestic equity investments held by the Group is measured based on the cash capital increase price set by the investee company.

(III) Categories of financial instruments

	June 30, 2025	December 31, 2023	June 30, 2024
<u>Financial assets</u>			
Classified as at fair value through profit or loss			
Mandatorily measured at FVTPL	\$ 81,945	\$ 40,283	\$ 61,813
Measured at amortized costs (Note 1)	2,535,441	2,854,844	3,171,750
Investments in Equity Instruments Measured at Fair Value through Other Comprehensive Income	60,000	60,000	-
<u>Financial liabilities</u>			
Measured at amortized costs (Note 2)	1,337,960	1,026,794	1,340,529

Note 1: The balance includes cash and cash equivalents, notes receivable, accounts receivable, other receivables, and refundable deposits (recognized under other non-current assets), all measured at amortized cost.

Note 2: The balance includes short-term borrowings, accounts payable, other payables, Long-term loans (including current portions due within one year), and guarantee deposits (recognized under other non-current liabilities), all measured at amortized cost.

(IV) The objectives and policies of financial risk management

The objectives of the financial risk management of the Group are to manage the market risks (including exchange rate risks and interest risks), credit risks, and liquidity risks related to operating activities. To lower the related financial risks, the Group strives to identify, assess and avoid market uncertainty to minimize the potential negative effect of market changes on the financial performance of the Company.

The significant financial activities of the Group were reviewed by the Board of Directors and the Audit Committee in accordance with the related regulations and internal control mechanisms.

1. Market risks

The Group is exposed to foreign exchange rate risk and interest rate risk as a result of its operating activities.

The Group does not change the risk exposure of market risks of the financial instruments and the management and measurement method on such risk exposure.

(1) Exchange rate risks

The Group engages in sales and purchase transactions priced in foreign currency, exposing the Group to exchange rate variation risk. To prevent the loss from exchange rate variation, the Group pays close attention to the exchange rate variation and determines the foreign currency position based on the actual fund demands and the level of the exchange rate to lower the operating risks.

Please refer to Note 31 for the carrying amount of monetary assets and liabilities of the Group priced in non-functional currency at the end of the reporting period.

Sensitivity analysis

The Group is mainly under the influence of variations in the exchange rates of USD, EURO, JPY and RMB.

The table below demonstrates the sensitivity analysis of the Group when the exchange rate of NT\$ (functional currency) to all related foreign currencies increases and decreases by 5%. The positive numbers in the table below indicate the amount by which income (or loss) before tax would increase if the NT\$ depreciated by 5% against the relevant foreign currencies. Conversely, if the NT\$ appreciated by 5%, the effect on income (or loss) before tax would be the same amount but in the opposite (negative) direction.

	Profit or loss	
	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
USD	\$ 49,707	\$ 65,502
EURO	16,024	13,688
JPY	7,760	10,344
RMB	3,616	4,724

(2) Interest rate risks

The carrying amount of financial assets and liabilities of the Group exposed in the interest rate risk at the end of the reporting period is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risks			
- Financial assets	\$ 514,750	\$ 703,613	\$ 973,037
- Financial liabilities	379,684	118,014	649,343
Cash flow interest rate risks			
- Financial assets	1,415,242	1,635,954	1,453,475
- Financial liabilities	481,534	613,000	264,453

The Group holds time deposits and loans with fixed interest rates and is, thus, exposed to fair value interest rate risks. In addition, the consolidated company holds deposits and loans with floating interest rates and is, thus, exposed to cash flow interest rate risks.

Sensitivity analysis

The following sensitivity analysis is based on interest rate risk as of the balance sheet date. If the interest rate were to increase or decrease by 1%, with all other variables held constant, the Group's net loss before tax for the period from January 1 to June 30, 2025 would decrease or increase by NT\$4,669 thousand, and income before tax for the period from January 1 to June 30, 2024 decrease or increase by NT\$5,945 thousand.

(3) Other Price Risks

The Group is exposed to price risks due to its holdings in fund beneficiary certificates.

Price sensitivity analysis

The following sensitivity analysis is based on the equity price risk as of the balance sheet date. If prices were to increase or decrease by 0.5%, the consolidated net loss before tax for the period from January 1 to June 30, 2025, and the consolidated income before tax for the period from January 1 to June 30, 2024, would decrease/increase by NT\$401 thousand and increase/decrease by NT\$304 thousand, respectively, due to changes in the fair value of investments measured at fair value through profit or loss (FVTPL). For the period from January 1 to June 30, 2025, other comprehensive income before tax would increase/decrease by NT\$300 thousand due to changes in the fair value of financial assets measured at fair value through other comprehensive income (FVOCI).

2. Credit Risks

Credit risks refer to the risks that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the balance sheet date, the Group's maximum credit risk exposure, which may cause a financial loss due to a counterparty's failure to perform its obligations, is mainly derived from the carrying amount of the financial assets recognized in the consolidated balance sheet.

The Group adopts the policy that it only engages in transactions with counterparties with excellent credits, and its financial department reviews and approves and line of credits of the transaction counterparties on a regular basis to control the credit risk exposure.

To reduce the credit risks, the management of the Group is responsible for determining the line of credits, credit approval, and other monitoring procedures to ensure proper actions are taken to recover overdue receivables. The target of accounts receivables involves numerous customers. The Group continues to assess the financial situation of customers with accounts receivables and insures the accounts receivables for some of the main customers. The coverage ratio is 80% to 90% of the approved insurance amount. In addition, the Group reviews the recoverable amount of receivables individually at the end of the reporting period to ensure the receivables that cannot be recovered are properly recognized in impairment loss. Therefore, the management of the Group believes the credit risks of the Group have been reduced significantly.

Besides this, the main transaction counterparties of liquidity are financial institutions with excellent credit, so the credit risk is limited.

3. Liquidity risk

The Group manages and maintains a sufficient position of the cash and cash equivalents to support the operation of the Group and reduce the effect of cash flow volatility. The operating funds of the Group are sufficient, so there is no concern about fund shortage. Even if there is any fund demand, it belongs to short-term demand, which can be resolved by comprehensive bank loan commitments. As a result, the liquidity risk is not serious.

Please refer to (2) Loan commitments below for the undrawn loan commitments.

(1) Liquidity and interest risk rate table for non-derivative financial liabilities

The following table shows the remaining contractual maturity analysis of the Group's non-derivative financial liabilities with agreed-upon repayment periods, which were based on the date the Group will be required to pay the first repayment and financial liabilities is evaluated based on undiscounted cash flows, including cash flows of interest and principal.

June 30, 2025				
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	\$ 551,664	\$ 4,762	\$ -	\$ 556,426
Floating interest rate instruments	294,275	54,564	173,321	522,160
Fixed interest rate instruments	300,000	-	-	300,000
Lease liabilities	27,865	62,608	-	90,473
	<u>\$ 1,173,804</u>	<u>\$ 121,934</u>	<u>\$ 173,321</u>	<u>\$ 1,469,059</u>
December 31, 2024				
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	\$ 378,974	\$ 4,820	\$ -	\$ 383,794
Floating interest rate instruments	554,414	16,775	54,171	625,360
Fixed interest rate instruments	30,044	-	-	30,044
Lease liabilities	28,966	74,182	-	103,148
	<u>\$ 992,398</u>	<u>\$ 95,777</u>	<u>\$ 54,171</u>	<u>\$ 1,142,346</u>
June 30, 2024				
	Instant maturity or less than 1 year	1 to 5 years	Over 6 years	Total
Non-interest-bearing liabilities	\$ 521,210	\$ 4,866	\$ -	\$ 526,076
Floating interest rate instruments	204,470	16,776	56,267	277,513
Fixed interest rate instruments	550,042	-	-	550,042
Lease liabilities	31,630	85,672	-	117,302
	<u>\$ 1,307,352</u>	<u>\$ 107,314</u>	<u>\$ 56,267</u>	<u>\$ 1,470,933</u>

(2) Loan commitments

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank loan commitments			
- Drawn amount	\$ 563,000	\$ 550,500	\$ 550,000
- Undrawn amount	<u>945,450</u>	<u>950,678</u>	<u>934,450</u>
	<u>\$ 1,508,450</u>	<u>\$ 1,501,178</u>	<u>\$ 1,484,450</u>
Secured bank loan commitments			
- Drawn amount	\$ 226,500	\$ 99,000	\$ 269,000
- Undrawn amount	<u>520,000</u>	<u>550,000</u>	<u>180,000</u>
	<u>\$ 746,500</u>	<u>\$ 649,000</u>	<u>\$ 449,000</u>

XXVIII. Related Party Transactions

The transactions, account balance, income, and expenses between the Company and subsidiaries (the related parties of the Company) have been written off in the consolidation, so they were not disclosed in the Note. Apart from the information disclosed in other notes, the major transactions between the Group and other related parties are as follows:

Compensation of key management personnel

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Short-term employee benefits	\$ 13,930	\$ 25,350	\$ 43,275	\$ 52,120
Post-employment benefits	297	315	594	630
Stock-based compensation	<u>1,241</u>	<u>1,590</u>	<u>2,482</u>	<u>2,874</u>
	<u>\$ 15,468</u>	<u>\$ 27,255</u>	<u>\$ 46,351</u>	<u>\$ 55,624</u>

The remuneration of directors and other key management personnel were determined by the Remuneration Committee in accordance with individual performance and market trends.

XXIX. Pledged Assets

The following assets of the Group have been pledged as collateral for the bank loans and as security for the standby letter of credit for technology licensing:

	June 30, 2025	December 31, 2024	June 30, 2024
Investment properties	\$ 328,187	\$ 113,749	\$ 113,955
Pledge certificate of deposit (recognized refundable deposits and financial assets at amortized costs)	<u>32,230</u>	<u>50,202</u>	<u>244,901</u>
	<u>\$ 360,417</u>	<u>\$ 163,951</u>	<u>\$ 358,856</u>

XXX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

As of June 30, 2025, the Company had issued promissory notes totaling NT\$638,979 thousand in accordance with general banking practices in connection with credit facilities and financing arrangements with various banks.

XXXI. Significant Financial Assets and Liabilities Denominated in Foreign Currencies

The following information is summarized based on foreign currencies other than the functional currencies of each entity within the consolidated company. The disclosed exchange rates represent the rates used to convert these foreign currencies into their respective functional currencies. Significant Financial Assets and Liabilities Denominated in Foreign Currencies are as follows:

June 30, 2025

	<u>Foreign currencies</u>	<u>Exchange rate</u>	<u>Carrying value</u>
Assets denominated in foreign currencies			
<u>Monetary items</u>			
USD	\$ 40,873	29.30 (USD : NTD)	\$ 1,197,579
EURO	9,459	34.35 (EUR : NTD)	324,917
JPY	763,034	0.20 (JPY : NTD)	155,201
RMB	18,878	4.09 (RMB : NTD)	77,230
Foreign currency liabilities			
<u>Monetary items</u>			
USD	6,943	29.30 (USD : NTD)	203,430
EURO	129	34.35 (EUR : NTD)	4,431
RMB	1,198	4.09 (RMB : NTD)	4,901

December 31, 2024

	<u>Foreign currencies</u>	<u>Exchange rate</u>	<u>Carrying value</u>
Assets denominated in foreign currencies			
<u>Monetary items</u>			
USD	\$ 39,361	32.79 (USD : NTD)	\$ 1,290,450
EURO	10,565	34.14 (EUR : NTD)	360,689
JPY	677,645	0.21 (JPY : NTD)	142,238
RMB	14,442	4.48 (RMB : NTD)	64,671
Foreign currency liabilities			
<u>Monetary items</u>			
USD	5,587	32.79 (USD : NTD)	183,170
EURO	157	34.14 (EUR : NTD)	5,360
RMB	381	4.48 (RMB : NTD)	1,706

June 30, 2024

	<u>Foreign currencies</u>	<u>Exchange rate</u>	<u>Carrying value</u>
Assets			
denominated in			
foreign currencies			
<u>Monetary items</u>			
USD	\$ 46,017	32.45 (USD : NTD)	\$ 1,493,252
EURO	8,020	34.71 (EUR : NTD)	278,374
JPY	1,025,644	0.20 (JPY : NTD)	206,872
RMB	22,774	4.45 (RMB : NTD)	101,230
Foreign currency			
liabilities			
<u>Monetary items</u>			
USD	5,646	32.45 (USD : NTD)	183,213
EURO	133	34.71 (EUR : NTD)	4,616
RMB	1,517	4.45 (RMB : NTD)	6,743

For the periods from April 1 to June 30 in 2024 and 2025, and from January 1 to June 30 in 2024 and 2025, the Group company reported foreign exchange net (losses) gains of NT\$(163,875) thousand, NT\$14,385 thousand, NT\$(117,964) thousand, and NT\$75,271 thousand, respectively. Due to the variety of foreign currency transactions, it is not possible to disclose exchange gains and losses for each major currency.

XXXII. Additional Disclosures

(I) Significant transactions:

1. Financing provided to others: None.
2. Endorsements/guarantees provided: None.
3. Marketable securities held (not including investment subsidiaries): Table 1.
4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 2.
5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 3.
6. Information about the derivative financial instruments transaction: Note VII.
7. Others: The business relationship between the parent and the subsidiaries and significant transactions and amount between them: Table 4.

(II) Information on investees: Table 5.

(III) Information on investment in mainland China:

1. Name of invested company in China, main business items, paid-in capital, investment method, situation of funds inflow and outflow, percentage of shareholding, year-end investment book value, profit or loss on repatriated investment, and investment quota in China: Table 6.
2. Significant transactions directly or indirectly through a third place with the investee companies in China and the price, payment terms, and unrealized profit or loss: Table 7
 - (1) Amount and percentage of purchase and the balance at the end of the reporting period and the percentage of related payables.
 - (2) Amount and percentage of sales and the balance at the end of the reporting period and the percentage of related receivables.
 - (3) Asset transaction amount and the amount of profit or loss derived.
 - (4) The balance at the end of the reporting period and objectives of endorsements/guarantee or collateral provided.
 - (5) The maximum balance, balance at the end of the reporting period, interest interval, and the total interests of the current year of bank accommodation.
 - (6) Other transactions that have a significant impact on the current profit or loss or financial situation, such as the offering and receipt of labor service.

XXXIII. Department information

The information provided to the major operating decision makers for resources allocation and departmental performance assessment tends to be the type of product or labor delivered or provided. Departments of the Group that shall be reported:

Department of computer related equipment and multimedia

Department of education and video conference

(I) Operating segment revenue and operating results

The analysis of the revenue of continuing operating unit of the Group and the operating performance based on the departments is as follows:

	Department of computer related equipment and multimedia	Department of education and video conference	Internal write-off	Total
<u>January 1 to June 30, 2025</u>				
Income from external customers	\$ 419,852	\$ 1,229,427	\$ -	\$ 1,649,279
Income between departments	<u>241,737</u>	<u>13,271</u>	(<u>255,008</u>)	-
Department income	<u>\$ 661,589</u>	<u>\$ 1,242,698</u>	(<u>\$ 255,008</u>)	<u>1,649,279</u>
Consolidated income				<u>\$ 1,649,279</u>
Department profit or loss	(<u>\$ 50,636</u>)	<u>\$ 76,451</u>	<u>\$ -</u>	\$ 25,815
Costs of general management department and remuneration to directors				(88,172)
Interest Income				20,499
Other Income				21,768
Other Gains and Losses				(115,647)
Financial Costs				(9,463)
Net loss before tax				(<u>\$ 145,200</u>)
<u>January 1 to June 30, 2024</u>				
Income from external customers	\$ 334,734	\$ 1,309,250	\$ -	\$ 1,643,984
Income between departments	<u>169,430</u>	<u>14,388</u>	(<u>183,818</u>)	-
Department income	<u>\$ 504,164</u>	<u>\$ 1,323,638</u>	(<u>\$ 183,818</u>)	<u>1,643,984</u>
Consolidated income				<u>\$ 1,643,984</u>
Department profit or loss	(<u>\$ 77,061</u>)	<u>\$ 132,356</u>	<u>\$ -</u>	\$ 55,295
Costs of general management department and remuneration to directors				(100,671)
Interest Income				31,570
Other Income				22,304
Other Gains and Losses				69,779
Financial Costs				(8,812)
Income Before Tax				<u>\$ 69,465</u>

The department profit or loss refers to the profits earned by each department, not including the costs of general management department and remuneration to directors, interest income, other income, other gains and loss, and finance costs. The measured amount is provided to the major operating decision makers for resource allocation and performance assessment.

(II) Total assets and liabilities of departments

The assets and liabilities Information on the Group is not provided to the operating decision makers, so the measured amount of assets and liabilities is not disclosed.

AVerMedia Technologies Inc. and subsidiaries
Major securities held at the end of the period
June 30, 2025

Appendix Table 1

Unit: In Thousands of New Taiwan Dollars, unless specified otherwise

Held company name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	End date of the Reporting Period				Note
				Shares/Units (In Thousands)	Carrying value	Ownership Percentage	Fair value	
AVerMedia Technologies Inc.	<u>Beneficiary Certificates</u>	—	Financial assets at fair value through profit or loss – current	5,483	\$ 80,148	-	\$ 80,148	—
	SinoPac TWD Money Market Fund							
AVer Information	<u>Shares</u> AVerMedia Technologies Inc.	Parent company	Financial assets at fair value through other comprehensive income – non-current	25,639	953,756	16.27%	953,756	Note

Note: Please refer to Note 20(5) Treasury stock description.

AVerMedia Technologies Inc. and subsidiaries

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

January 1 to June 30, 2025

Table 2 Unit: In Thousands of New Taiwan Dollars

Purchase (Sale) Company	Related Party	Nature of Relationships	Transaction Details				Situation and reason for Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases (sales)	Amount	% to Total Purchase (Sales)	Payment terms	Unit price	Payment terms	Balance	% to Total Notes/Accounts Receivables (Payables)	
AVerMedia Technologies Inc.	AVerMedia USA	Subsidiary	Sale	(\$ 133,165)	(38)	After Shipping 90 days	-	—	\$ 140,121	53	Note
AVer Information	AVer Information Inc. (USA)	Subsidiary	Sale	(363,023)	(39)	After Shipping 90 days	-	—	119,555	31	Note
	AVer Information Europe B.V.	Subsidiary	Sale	(186,049)	(20)	After Shipping 90 days	-	—	89,688	23	Note

Note: It was written off while preparing the consolidated financial statements.

AVerMedia Technologies Inc. and subsidiaries

Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital

June 30, 2025

Table 3

Unit: In Thousands of New Taiwan Dollars

Company Name Recognized as Receivables	Related Party	Nature of Relationships	Ending Balance of Receivables from Related Party	Turnover rate (times/year)	Overdue receivables from related parties		Amounts Received in Subsequent Period (Note 1)	Allowance for Bad Debts
					Amount	Action Taken		
AVerMedia Technologies Inc.	AVerMedia USA	Subsidiary	Accounts Receivables \$ 140,121	1.96	\$ 40,522	-	\$ -	\$ -
AVer Information	AVer Information Inc. (USA)	Subsidiary	Accounts Receivables 119,555	6.91	-	-	39,407	-

Note 1: The amount recovered as of August 7, 2025.

Note 2: It was written off while preparing the consolidated financial statements.

AVerMedia Technologies Inc. and subsidiaries
Intercompany Relationships and Significant Intercompany Transactions for the Six Months Ended June 30, 2025

Table 4

Unit: In Thousands of New Taiwan Dollars

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Account	Amount	Transaction terms	Percentage of Consolidated Net Revenue or Total Assets
0	The Company	AVerMedia USA	1	Sales income	\$ 133,165	Note 2	8%
				Accounts Receivables	140,121	Note 3	2%
		AVerMedia Japan	1	Sales income	18,638	Note 2	1%
				Accounts Receivables	21,021	Note 3	-
		AVerMedia Germany	1	Sales income	12,378	Note 2	1%
				Accounts Receivables	40,612	Note 3	1%
		AVerMedia Shanghai	1	Sales income	58,961	Note 2	4%
				Accounts Receivables	24,733	Note 3	-
		AVer Information	1	Processing fee	13,000	Note 2	1%
				Other Receivables	79,805	Note 3	1%
1	AVer Information	AVer Information Inc. (USA)	1	Sales income	363,023	Note 2	22%
				Accounts Receivables	119,555	Note 3	2%
		AVer Information Europe B.V.	1	Sales income	186,049	Note 2	11%
				Accounts Receivables	89,688	Note 3	2%
		AVer Information Inc. (Japan)	1	Sales income	46,537	Note 2	3%
				Accounts Receivables	31,175	Note 3	1%
		AVer Information (Vietnam) Co., Ltd.	1	Sales income	13,223	Note 2	1%

Note 1: The relationship with the trader is as follows:

1. Parent to subsidiaries
2. Subsidiaries to parent
3. Subsidiaries to subsidiaries

Note 2: It is stipulated based on the local market condition. The transaction terms are similar to ordinary customers.

Note 3: General transaction terms and receivables are collected based on the capital conditions.

AVerMedia Technologies Inc. and subsidiaries
Names, Locations, And Related Information of Investees Over Which the Company Exercises Significant Influence
January 1 to June 30, 2025

Table 5

Unit: In Thousands of New Taiwan Dollars

Investor company	Investee company	Location	Main business and products	Original investment amount		Balance at the end of period			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2025	June 30, 2024	Shares (In Thousands)	Percentage of ownership %	Carrying value			
AVerMedia Technologies Inc.	AVer Information	Taiwan	Sales, manufacturing and research and development of computer system equipment, presentation and video conference system products	\$ 706,623	\$ 706,623	46,389	49.92	\$ 1,072,194	(\$ 38,675)	(\$ 19,307)	Note 3
	AVerMedia USA	USA	Sales of video and audio capture and internet video streaming products	45,843	45,843	3,000	100.00	(60,411	445	445	
	AVerMedia Japan	Japan	Sales of video and audio capture and internet video streaming products	3,579	3,579	0.2	100.00	(1,781	(2,828)	(2,828)	
	AVerMedia Germany	Germany	Sales of video and audio capture and internet video streaming products	3,591	3,591	(Note 1)	100.00	(12,899	(444)	(444)	
	AVerMedia Spain	Spain	Sales of video and audio capture and internet video streaming products	3,517	3,517	(Note 1)	100.00	1,836	-	-	
	AVerMedia Korea	South Korea	Sales of video and audio capture and internet video streaming products	6,031	6,031	51	100.00	6,002	551	551	
AVer Information	Aver Information Inc. (USA)	USA	Sales of computer system equipment, presentation and video conference system products	217,848	217,848	6,990	100.00	171,448	(52,075)	(52,075)	
	AVer Information Europe B.V.	Netherlands	Sales of computer system equipment, presentation and video conference system products	131,089	131,089	(Note 1)	100.00	14,847	(7,519)	(7,519)	
	AVer Information Inc. (Japan)	Japan	Sales of computer system equipment, presentation and video conference system products	24,828	24,828	1.4	100.00	(3,880	467	467	
	AVer Information (Vietnam) Co., Ltd	Vietnam	Sales of computer system equipment, presentation and video conference system products	10,710	10,710	(Note 1)	100.00	17,167	(1,039)	(1,039)	
	Yuan Chen Investment Inc.	Taiwan	General Investment	500	500	50	100.00	440	1	1	

Note 1: The certificate of incorporation only states the investment amount without the record of the number of shares.

Note 2: Please refer to Table 7 for the investee company in China.

Note 3: On March 13, 2024, the company's board of directors resolved to proceed with the dissolution and liquidation of AVerMedia Spain.

AVerMedia Technologies Inc. and subsidiaries
Information on Investment in Mainland China
January 1 to June 30, 2025

Table 6

Unit: NT\$ and foreign currency thousands

Investee company	Main business and products	Total Amount of Paid-in Capital (Note 3)	Method of investment (Note 1)	Accumulated Outflow of investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of investment from Taiwan as of June 30, 2025	Net Income (Losses) of the Investee Company	Percentage of Ownership	Share of Profits/Losses	Carrying Amount as of June 30, 2025	Accumulated Inward Remittance of Earnings as of June 30, 2025	Note
					Outflow	Inflow							
AVerMedia Shanghai	Sales of video and audio capture and internet video streaming products	\$ 40,323 (USD 1,200)	1	\$ 40,323 (USD 1,200)	\$ -	\$ -	\$ 40,323 (USD 1,200)	\$ 10,307	100%	\$ 10,307	\$ 19,986	\$ -	

Accumulated Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Maximum amount of investment stipulated by Investment Commission, Ministry of Economic Affairs (Note 2)
\$ 40,323 (USD 1,200)	\$ 40,323 (USD 1,200)	\$ \$1,616,934

Note 1: The investment methods are classified into the following 3 types. Only the type is required to be labeled:

- (1) Direct investment in China.
- (2) Investment in a company in a third area and reinvestment from that company in China.
- (3) Other methods.

Note 2: Calculated as 60% of the net value according to the “Principles for the Review of Investments or Technical Cooperation in Mainland China” stipulated by the Investment Commission.

Note 3: The paid-in capital of AVerMedia Shanghai is the accumulated outflow amount from Taiwan. The average exchange rate is US\$1=NT\$33.60.

AVerMedia Technologies Inc. and subsidiaries

Significant transactions directly or indirectly through a third place with the investee companies in China and the price, payment terms, unrealized profit or loss, and other related information

January 1 to June 30, 2025

Table 7

Unit: In Thousands of New Taiwan Dollars

Related Party	Nature of Relationships between the Company and Related Party	Type of transactions	Amount	Transaction terms			Notes/Accounts Payable or Receivable		Unrealized profit or loss
				Price	Payment terms	Comparison with general transactions	Balance	Percentage (%)	
AVerMedia Shanghai	Subsidiary	Sale Labor expenditures	\$ 58,961 (50)	Note Note	Note Note	Note Note	\$ 24,733 (30)	- -	\$ 7,354 -

Note: The transactions between the Company and related parties are conducted in accordance with the agreed transaction price and payment terms.