

G.M.I. Technology Inc. and Subsidiaries**Consolidated Financial Statements**

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

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

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Independent Auditors' Review Report

To the Board of Directors G.M.I. Technology Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of G.M.I. Technology Inc. and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the nine months ended September 30, 2025 and 2024 and notes to the consolidated financial statements, including a summary of significant accounting policies. 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

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

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$895,689 thousand and \$268,900 thousand, constituting 7.88% and 2.92% of the consolidated total assets; and the total liabilities amounting to \$66,078 thousand and \$321,853 thousand, constituting 0.80% and 5.18% of the consolidated total liabilities as of September 30, 2025 and 2024, respectively; as well as the total comprehensive income(loss) amounting to \$(19,012) thousand, \$(19,419) thousand, \$(39,266) thousand and \$(46,686) thousand, constituting (7.21)%, 357.10%, 32.28% and (14.58)% of consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(f), the other equity accounted investments of the Group in its investee companies of \$15,311 thousand and \$14,649 thousand as of September 30, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of \$218 thousand, \$(74) thousand, \$385 thousand and \$104 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review report of another auditor (please refer to Other Matter paragraph), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of G.M.I. Technology Inc. and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months and nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

We did not review the financial statements of Unitech Electronics Co., Ltd, a subsidiary of the G.M.I. Technology Inc. and its subsidiaries. Those financial statements were reviewed by another auditor, whose review report has been furnished to us, and our conclusion, insofar as it relates to the amounts included for Unitech Electronics Co., Ltd, is based solely on the review report of another auditor. The financial statements of Unitech Electronics Co., Ltd reflect the total assets amounting to \$233,601 thousand and \$227,695 thousand, constituting 2.06% and 2.47% of the consolidated total assets as of September 30, 2025 and 2024, respectively; and share of profit of associate accounted for using equity method amounting to \$5,101 thousand, \$2,467 thousand, \$8,964 thousand and \$8,079 thousand, constituting 2.72%, 4.35%, 9.58% and 2.55% of the consolidated profit before income tax for the three months and nine months ended September 30, 2025 and 2024, respectively.

The engagement partners on the reviews resulting in this independent auditors' review report are Chi, Meng-Chun and Yang, Shu-Chih.

KPMG

Taipei, Taiwan (Republic of China)
November 10, 2025

Notes to Readers

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

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

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

	Assets							Liabilities and Equity						
	September 30, 2025		December 31, 2024		September 30, 2024			September 30, 2025		December 31, 2024		September 30, 2024		
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	
Assets														
Current assets:														
1100 Cash and cash equivalents (note (6)(a))	\$ 1,756,192	15	2,098,460	20	2,174,893	24	2100	Short-term borrowings (notes (6)(k) and (8))	\$ 3,311,791	29	2,095,898	20	1,995,020	21
1110 Current financial assets at fair value through profit or loss (notes (6)(b) and (l))	100	-	1,200	-	2,800	-	2110	Short-term notes and bills payable (notes (6)(j) and (8))	499,589	4	449,326	4	149,613	2
1150 Notes receivable (notes (6)(c) and (r))	231,703	2	201,942	2	214,954	2	2130	Current contract liabilities (note (6)(r))	48,492	-	14,657	-	64,604	1
1170 Accounts receivable (notes (6)(c), (r) and (8))	4,611,467	41	3,867,829	37	3,945,522	43	2170	Accounts payable	296,920	3	162,251	2	144,132	2
1181 Accounts receivable due from related parties (notes (6)(c), (r) and (7))	22,526	-	10,993	-	20,929	-	2180	Accounts payable to related parties (note (7))	3,016,115	27	2,468,239	24	2,823,663	31
1199 Finance lease payment receivable - related party (notes (6)(d), (r) and (7))	301,931	3	85,929	1	77,621	1	2213	Payable on machinery and equipment (note (6)(h))	2,736	-	912,248	9	-	-
1200 Other receivables	31,486	-	20,700	-	32,155	-	2219	Other payables	69,403	1	115,215	1	67,625	1
1210 Other receivables due from related parties, net (note (7))	28,315	-	-	-	-	-	2220	Other payables to related parties (note (7))	-	-	200	-	-	-
1220 Current income tax assets	34,926	-	20,422	-	15	-	2230	Current income tax liabilities	7,057	-	21,771	-	16,727	-
130X Inventories (note (6)(e))	1,696,742	15	1,218,109	12	1,310,372	14	2280	Current lease liabilities (note (6)(m))	11,264	-	10,592	-	13,709	-
1476 Other financial assets - current (note (8))	235,741	2	231,596	2	232,002	3	2530	Total current liabilities	7,263,367	64	6,250,397	60	5,275,093	58
1470 Other current assets	65,102	1	45,338	1	57,955	-	2570	Non-Current liabilities:						
Total current assets	<u>9,016,231</u>	<u>79</u>	<u>7,802,518</u>	<u>75</u>	<u>8,069,218</u>	<u>87</u>	2530	Bonds payable (note (6)(l))	962,019	9	946,322	9	941,115	10
Non-current assets:							2580	Non-current lease liabilities (note (6)(m))	8,034	-	1,463	-	2,530	-
1510 Non-current financial assets at fair value through profit or loss (note (6)(b))	272,592	3	91,045	1	90,695	1	2570	Deferred income tax liabilities	9,194	-	9,194	-	-	-
1550 Investments accounted for using the equity method (notes (6)(f), (7) and (8))	248,912	2	247,312	3	242,344	3	3110	Total non-current liabilities	979,247	9	956,979	9	943,645	10
1600 Property, plant and equipment (notes (6)(h), (7) and (8))	333,330	3	1,769,960	17	331,443	4	3200	Total liabilities	8,242,614	73	7,207,376	69	6,218,738	68
1755 Right-of-use assets (note (6)(i))	18,999	-	11,278	-	15,294	-	3310	Equity attributable to owners of the parent company (notes (6)(p) and (y)):						
1840 Deferred income tax assets	10,455	-	10,927	-	24,407	-	3350	Ordinary share	1,626,268	15	1,626,254	16	1,626,254	18
1915 Prepayments for business facilities	-	-	27,876	-	-	-	3310	Capital surplus	376,947	3	309,068	3	309,068	3
194K Long-term finance lease payment receivable - related parties (notes (6)(d), (r) and (7))	1,450,610	13	419,117	4	421,837	5	3350	Legal reserve	217,708	2	178,894	2	178,894	2
1975 Net defined benefit assets - non current	6,131	-	6,131	-	2,387	-	3400	Unappropriated retained earnings	605,282	5	779,596	7	655,449	7
1900 Other non-current assets	4,157	-	4,290	-	4,285	-	3400	Other equity interests	15,074	-	194,251	2	109,368	1
Total noncurrent assets	<u>2,345,186</u>	<u>21</u>	<u>2,587,936</u>	<u>25</u>	<u>1,132,692</u>	<u>13</u>	36XX	Total equity attributable to owners of parent:	<u>2,841,279</u>	<u>25</u>	<u>3,088,063</u>	<u>30</u>	<u>2,879,033</u>	<u>31</u>
Total assets	<u>\$ 11,361,417</u>	<u>100</u>	<u>10,390,454</u>	<u>100</u>	<u>9,201,910</u>	<u>100</u>	36XX	Non-controlling interests (note (6)(g))	277,524	2	95,015	1	104,139	1
							36XX	Total equity	3,118,803	27	3,183,078	31	2,983,172	32
								Total liabilities and equity	<u>\$ 11,361,417</u>	<u>100</u>	<u>10,390,454</u>	<u>100</u>	<u>9,201,910</u>	<u>100</u>

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended September 30				For the nine months ended September 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenues (notes (6)(r) and (7))	\$ 5,205,413	100	4,769,645	100	16,111,506	100	13,344,385	100
5000	Operating costs (notes (6)(e) and (7))	4,958,204	95	4,515,338	95	15,278,018	95	12,621,671	95
	Gross profit (loss) from operations	<u>247,209</u>	<u>5</u>	<u>254,307</u>	<u>5</u>	<u>833,488</u>	<u>5</u>	<u>722,714</u>	<u>5</u>
	Operating expenses (notes (6)(m), (n), (s) and (y)):								
6100	Selling expenses	78,854	2	92,959	2	278,533	2	266,434	2
6200	Administrative expenses	46,675	1	34,879	1	128,360	1	111,189	1
6300	Research and development expenses	17,962	-	11,575	-	45,961	-	35,243	-
6450	Impairment losses (impairment gains and reversal of impairment losses) determined in accordance with IFRS 9 (note (6)(c))	992	-	51	-	7,962	-	3,911	-
	Total operating expenses	<u>144,483</u>	<u>3</u>	<u>139,464</u>	<u>3</u>	<u>460,816</u>	<u>3</u>	<u>416,777</u>	<u>3</u>
	Net operating income	<u>102,726</u>	<u>2</u>	<u>114,843</u>	<u>2</u>	<u>372,672</u>	<u>2</u>	<u>305,937</u>	<u>2</u>
	Non-operating income and expenses (notes (6)(f), (m) and (t)):								
7100	Interest income	2,130	-	8,979	-	14,151	-	30,223	-
7010	Other income	516	-	2,412	-	3,314	-	11,503	-
7020	Other gains and losses, net	106,405	2	(47,189)	(1)	(216,653)	(1)	15,647	-
7050	Finance costs	(29,293)	(1)	(24,702)	-	(89,252)	(1)	(54,840)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	5,319	-	2,393	-	9,349	-	8,183	-
	Total non-operating income and expenses	<u>85,077</u>	<u>1</u>	<u>(58,107)</u>	<u>(1)</u>	<u>(279,091)</u>	<u>(2)</u>	<u>10,716</u>	<u>-</u>
7900	Profit before income tax	<u>187,803</u>	<u>3</u>	<u>56,736</u>	<u>1</u>	<u>93,581</u>	<u>-</u>	<u>316,653</u>	<u>2</u>
7950	Less: Income tax expense (note (6)(o))	<u>33,464</u>	<u>1</u>	<u>15,704</u>	<u>-</u>	<u>36,054</u>	<u>-</u>	<u>71,775</u>	<u>1</u>
	Profit	<u>154,339</u>	<u>2</u>	<u>41,032</u>	<u>1</u>	<u>57,527</u>	<u>-</u>	<u>244,878</u>	<u>1</u>
8300	Other comprehensive income (loss):								
8310	Items that may not be reclassified subsequently to profit or loss								
	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified	-	-	-	-	-	-	-	-
8320	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
8349	Total of items that may be reclassified to profit or loss	-	-	-	-	-	-	-	-
8360	Items that may be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	108,116	2	(46,237)	(1)	(177,163)	(1)	74,626	1
	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	1,387	-	(233)	-	(2,014)	-	789	-
8370	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
8399	Total of items that may be reclassified to profit or loss	109,503	2	(46,470)	(1)	(179,177)	(1)	75,415	1
8300	Other comprehensive income, net	<u>109,503</u>	<u>2</u>	<u>(46,470)</u>	<u>(1)</u>	<u>(179,177)</u>	<u>(1)</u>	<u>75,415</u>	<u>1</u>
	Total comprehensive income	<u>\$ 263,842</u>	<u>4</u>	<u>(5,438)</u>	<u>-</u>	<u>(121,650)</u>	<u>(1)</u>	<u>320,293</u>	<u>2</u>
	Profit (loss), attributable to:								
8610	Profit (loss), attributable to owners of parent	\$ 168,796	2	49,741	1	92,175	-	263,997	1
8620	Profit (loss), attributable to non-controlling interests	(14,457)	-	(8,709)	-	(34,648)	-	(19,119)	-
	Comprehensive income attributable to:	<u>\$ 154,339</u>	<u>2</u>	<u>41,032</u>	<u>1</u>	<u>57,527</u>	<u>-</u>	<u>244,878</u>	<u>1</u>
8710	Comprehensive income, attributable to owners of parent	\$ 278,299	4	3,271	-	(87,002)	(1)	339,412	2
8720	Comprehensive income, attributable to non-controlling interests	(14,457)	-	(8,709)	-	(34,648)	-	(19,119)	-
	Basic earnings per share (note (6)(q))	<u>\$ 263,842</u>	<u>4</u>	<u>(5,438)</u>	<u>-</u>	<u>(121,650)</u>	<u>(1)</u>	<u>320,293</u>	<u>2</u>
9750	Basic earnings per share	<u>\$ 1.04</u>		<u>0.31</u>		<u>0.57</u>		<u>1.62</u>	
9850	Diluted earnings per share	<u>\$ 0.98</u>		<u>0.31</u>		<u>0.57</u>		<u>1.61</u>	

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								
	Retained earnings				Total other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2024	\$ 1,626,254	223,116	146,600	618,896	33,510	443	2,648,819	61,384	2,710,203
Profit for the period	-	-	-	263,997	-	-	263,997	(19,119)	244,878
Other comprehensive income or loss for the period	-	-	-	-	75,415	-	75,415	-	75,415
Total comprehensive income or loss for the period	-	-	-	263,997	75,415	-	339,412	(19,119)	320,293
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	32,294	(32,294)	-	-	-	-	-
Cash dividends of ordinary stock	-	-	-	(195,150)	-	-	(195,150)	-	(195,150)
Due to recognition of equity component of convertible bonds (preference share) issued	-	65,872	-	-	-	-	65,872	-	65,872
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	370	-	-	-	-	370	-	370
Changes in ownership interests in subsidiaries	-	19,710	-	-	-	-	19,710	60,290	80,000
Changes in non-controlling interests	-	-	-	-	-	-	-	1,584	1,584
Balance at September 30, 2024	\$ 1,626,254	309,068	178,894	655,449	108,925	443	2,879,033	104,139	2,983,172
Balance at January 1, 2025	\$ 1,626,254	309,068	178,894	779,596	192,754	1,497	3,088,063	95,015	3,183,078
Profit for the period	-	-	-	92,175	-	-	92,175	(34,648)	57,527
Other comprehensive income or loss for the period	-	-	-	-	(177,163)	(2,014)	(179,177)	-	(179,177)
Total comprehensive income	-	-	-	92,175	(177,163)	(2,014)	(87,002)	(34,648)	(121,650)
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	38,814	(38,814)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(227,675)	-	-	(227,675)	-	(227,675)
Conversion of convertible bonds	14	82	-	-	-	-	96	-	96
Share-base payment transactions	-	4,904	-	-	-	-	4,904	-	4,904
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	188	-	-	-	-	188	-	188
Changes in non-controlling interests	-	62,705	-	-	-	-	62,705	217,157	279,862
Balance at September 30, 2025	\$ 1,626,268	376,947	217,708	605,282	15,591	(517)	2,841,279	277,524	3,118,803

See accompanying notes to consolidated financial statements.

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	For the nine months ended September 30	
	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	\$ 93,581	316,653
Adjustment:		
Adjustments to reconcile profit (loss):		
Depreciation expense	17,317	16,806
Expected credit loss (gain)	7,962	3,911
Interest expense	89,252	54,840
Interest revenue	(14,151)	(30,223)
Share-based payments	4,904	-
Finance lease interest revenue	(183,716)	(19,399)
Loss (gain) on financial assets at fair value through profit or loss	(447)	(1,509)
Share of loss of associates accounted for using equity method	(9,349)	(8,183)
Loss from disposal of property, plant and equipment	(527)	22
Loss on lease modification	49,012	-
Total adjustments to reconcile profit	<u>(39,743)</u>	<u>16,265</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes receivable	(45,585)	(120,992)
Increase in accounts receivable	(978,080)	(775,517)
Increase in accounts receivable due from related parties	(40,096)	(13,767)
Decrease in finance lease receivable due from related parties	248,106	37,397
Increase in other receivables	(11,464)	(11,001)
Increase in inventories	(558,559)	(248,190)
Increase in other receivables due from related parties	(28,315)	-
(AIncrease) decrease in other current assets	<u>(17,751)</u>	<u>30,829</u>
Total changes in operating assets	<u>(1,431,744)</u>	<u>(1,101,241)</u>
Changes in operating liabilities:		
Increase in contract liabilities	35,303	30,017
Increase (decrease) in accounts payable	252,081	(57,240)
Increase in accounts payable to related parties	658,417	857,760
Decrease in other payables	(41,555)	(20,480)
Decrease in other payables to related parties	<u>(200)</u>	<u>(5,073)</u>
Total changes in operating liabilities	<u>904,046</u>	<u>804,984</u>
Total adjustments	<u>(567,441)</u>	<u>(279,992)</u>
Cash inflow (outflow) from operations	(473,860)	36,661
Interest received	14,476	30,871
Interest paid	(72,438)	(46,512)
Income taxes paid	<u>(66,042)</u>	<u>(56,553)</u>
Net cash flows from operating activities	<u>(597,864)</u>	<u>(35,533)</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(200,000)	(70,000)
Proceeds from disposal of financial assets at fair value through profit or loss	20,000	50,000
Acquisition of property, plant and equipment	(1,033,206)	(530,736)
Proceeds from disposal of property, plant and equipment	14,253	1,123
(AIncrease) decrease in other financial assets	(20,454)	(162)
Increase in other non-current assets	25,753	-
Dividends received	<u>5,735</u>	<u>3,306</u>
Net cash flows from (used in) investing activities	<u>(1,187,919)</u>	<u>(546,469)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowing	6,986,290	5,474,842
Decrease in short-term borrowing	(5,770,397)	(4,834,788)
Increase in short-term notes and bills	5,542,002	2,199,094
Decrease in short-term notes and bills	(5,491,739)	(2,249,082)
Proceeds from issuing bonds	-	1,000,000
Repayments of long-term debt	-	(202,300)
Payment of lease liabilities	(12,016)	(12,251)
Cash dividends paid	(227,675)	(195,150)
Contribution by non-controlling interests	280,050	1,950
Other financing activities	<u>-</u>	<u>80,000</u>
Net cash flows from (used in) financing activities	<u>1,306,515</u>	<u>1,262,315</u>
Effect of exchange rate changes on cash and cash equivalents	<u>137,000</u>	<u>(3,328)</u>
Net increase (decrease) in cash and cash equivalents	<u>(342,268)</u>	<u>676,985</u>
Cash and cash equivalents at beginning of period	<u>2,098,460</u>	<u>1,497,908</u>
Cash and cash equivalents at end of period	<u>\$ 1,756,192</u>	<u>2,174,893</u>

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

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2025 and 2024

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

(1) Company history

G.M.I. TECHNOLOGY INC. (hereinafter referred to as the "Company") was established in October 1995 with the approval of the Ministry of Economic Affairs, R.O.C., and its registered office is located at 2F, No. 57, Xingzhong Rd, Neihu District, Taipei, Taiwan. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in the trading and manufacturing of electronic equipment and components, computer software development, trading, machinery and equipment rental, as well as related business services.

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

The consolidated financial statements for the nine Months ended September 30, 2025 and 2024 were authorized for issuance by the board of directors on November 10, 2025.

(3) New standards, amendments and interpretations adopted:

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

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

- Amendments to IAS21 "Lack of Exchangeability"
- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

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

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

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

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

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

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

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

(4) Summary of material accounting policies:

(a) Statement of compliance

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

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

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

Name investor	Name of investee	Scope of business	Percentage of ownership			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	G.M.I. Technology (BVI) Co., Ltd	Investment holding	100 %	100 %	100 %	Note 1
The Company	Rehear Audiology Co., Ltd.	Research, Development and sales of medical equipment	23.65 %	25.76 %	25.76 %	Note 2 & 4
The Company	GMI USA Corporation	Server Leasing	100 %	- %	- %	Note 1 & 3
G.M.I. Technology (BVI) Co., Ltd	Harken Investments Limited	Investment holding	100 %	100 %	100 %	Note 1
G.M.I. Technology (BVI) Co., Ltd	Vector Electronic	Trading of electronic components and investment holding	100 %	100 %	100 %	Note 1
Vector Electronic Co. Ltd	G.M.I. (Shanghai) Trading Company Limited	Trading of electronic components and business marketing consultancy service	100 %	100 %	100 %	Note 1

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
Vector Electronic Co. Ltd	Hong Da Fu Tong Electronics Company Limited	Trading of electronic components	100 %	100 %	100 %	Note 1

Note 1: Its financial statements were not audited due to being an immaterial subsidiary.

Note 2: On August 1, 2024, the investee conducted a cash capital increase by issuing 1,000 thousand shares. As the Company did not subscribe to these new shares, its ownership interest decreased to 25.76%. Moreover, on June 24, 2025, the investee conducted a cash capital increase and issued 3,525 thousand shares, at an issue price of \$80 per share. As the Company did not subscribe to these new shares, its ownership interest decreased to 23.65%, resulting in its non-controlling interests to increase by \$217,157 thousand.

Note 3: The subsidiary has completed its establishment and registration procedures on February 12, 2025, and its share capital has been invested in July 2025.

Note 4: Its financial statements for the nine months ended September 30, 2025 were not audited due to being an immaterial subsidiary.

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Income taxes

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

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(e) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the Group confirm the number of shares subscribed by the employees.

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

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

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

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 1,731	1,324	1,804
Cheques and demand deposits	1,754,461	2,097,136	2,173,089
	<u>\$ 1,756,192</u>	<u>2,098,460</u>	<u>2,174,893</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Mandatorily measured at fair value through profit or loss-current:			
Issued of convertible corporate bonds-			
Embedded recall right	\$ 100	1,200	2,800
Mandatorily measured at fair value through profit or loss-non current:			
Beneficiary funds	<u>272,592</u>	<u>91,045</u>	<u>90,695</u>

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (i) Please refer to note 6(t) for the amount of the financial assets at fair value through profit or loss.
- (ii) None of the Group's financial asset at fair value through profit or loss had been pledged as collateral.
- (c) Notes and accounts receivable
 - (i) The detail are as follow:

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable - arising from operations	\$ 232,400	202,550	215,601
Accounts receivable - measured at amortized cost	4,654,195	3,904,248	3,983,416
Accounts receivable due from related parties	22,526	10,993	20,929
Less:Allowance for losses	<u>(43,425)</u>	<u>(37,027)</u>	<u>(38,541)</u>
	\$ 4,865,696	4,080,764	4,181,405

- (ii) The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information. The loss allowance provisions were determined as follows:

	September 30, 2025		
	Notes and accounts receivable carrying amount	Weighted- average loss ratio	Allowance provision
Current	\$ 4,901,879	0.87%	42,860
Less than 90 days past due	<u>7,242</u>	<u>7.80%</u>	<u>565</u>
	<u>\$ 4,909,121</u>		<u>43,425</u>

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2024		
	Notes and accounts receivable carrying amount	Weighted- average loss ratio	Allowance provision
Current	\$ 4,101,726	0.86%	35,395
Less than 90 days past due	15,719	8.18%	1,286
More than 180 days past due	<u>346</u>	100%	<u>346</u>
	<u>\$ 4,117,791</u>		<u>37,027</u>

	September 30, 2024		
	Notes and accounts receivable carrying amount	Weighted- average loss ratio	Allowance provision
Current	\$ 4,213,229	0.89%	37,590
Less than 90 days past due	6,383	10.01%	639
90 to 180 days past due	28	21.43%	6
More than 180 days past due	<u>306</u>	100%	<u>306</u>
	<u>\$ 4,219,946</u>		<u>38,541</u>

(iii) The movement in the allowance for notes and accounts receivable were as follows:

	For the nine months ended September 30,	
	2025	2024
Balance at January 1	\$ 37,027	33,650
Impairment losses recognized	7,962	3,911
Foreign exchange gains or (losses)	<u>(1,564)</u>	<u>980</u>
Balance at September 30	<u>\$ 43,425</u>	<u>38,541</u>

For details on financial assets guaranteed as long-term loans and financing guarantees mentioned above, please refer to note 8.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Finance lease payment receivable - related party

The Group leases the GPU server to its related party, GMI Computing International Ltd., wherein the Group classified the lease as a finance lease because the leases included the whole of the remaining term of the head lease. Please refer to note 7 for the description of related party transactions.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, is as follows:

	September 30, 2025		December 31, 2024		September 30, 2024	
	USD	NTD	USD	NTD	USD	NTD
Less than one year	\$ 17,949	546,444	4,680	153,449	4,680	148,136
1~2 year	17,949	546,444	4,680	153,449	4,680	148,136
2~3 year	17,949	546,444	4,680	153,449	4,680	148,136
3~4 year	16,778	510,819	4,680	153,449	4,680	148,136
4~5 year	8,845	269,297	2,342	76,722	3,512	111,103
Total lease payments receivable	79,470	2,419,448	21,062	690,518	22,232	703,647
Unearned finance income	(21,905)	(666,907)	(5,803)	(185,472)	(6,389)	(204,189)
Present value of lease payments receivable	<u>\$ 57,565</u>	<u>1,752,541</u>	<u>15,259</u>	<u>505,046</u>	<u>15,843</u>	<u>499,458</u>
	September 30, 2025		December 31, 2024		September 30, 2024	
Finance lease payment receivable - current	\$ 301,931		85,929		77,621	
Long term finance lease payment receivable	1,450,610		419,117		421,837	
	<u>\$ 1,752,541</u>		<u>505,046</u>		<u>499,458</u>	

For credit risk information, please refer to note 6(u).

For the financing guarantees on September 30 and December 31, 2024, please refer to note 8.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Goods for sale	<u><u>\$ 1,696,742</u></u>	<u><u>1,218,109</u></u>	<u><u>1,310,372</u></u>

For the three month ended September 30, 2025 and 2024 and the nine month ended September 30, 2025 and 2024.

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cost of goods sold	<u><u>\$ 4,931,402</u></u>	<u><u>4,505,633</u></u>	<u><u>15,234,209</u></u>	<u><u>12,635,146</u></u>
Write down of inventory (Reversal of write down)	26,802	9,705	(5,203)	(13,475)
Loss on lease modification	-	-	49,012	-
Operating Cost	<u><u>\$ 4,958,204</u></u>	<u><u>4,515,338</u></u>	<u><u>15,278,018</u></u>	<u><u>12,621,671</u></u>

For loss on lease modification information, please refer to note 7.

(f) Investments accounted for using the equity method

(i) The components of investments accounted for using the equity method at the reporting date were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	<u><u>\$ 572,489</u></u>	<u><u>570,889</u></u>	<u><u>565,921</u></u>
Accumulated impairment	<u><u>(323,577)</u></u>	<u><u>(323,577)</u></u>	<u><u>(323,577)</u></u>
	<u><u>\$ 248,912</u></u>	<u><u>247,312</u></u>	<u><u>242,344</u></u>

(ii) For Affiliates that are significant to the Group, their relevant information are as follows:

Associate Name	Nature of the relationship with the Group	Main business sector/Country of company registration	Proportion of ownership interest and voting rights		
			September 30, 2025	December 31, 2024	September 30, 2024
Unitech Electronics Co., Ltd.	Invested by the Group using equity method	Taiwan	12.73 %	12.73 %	12.73 %

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The aggregated financial information of the affiliates that are material to the Group is as follows. The financial information has been adjusted to the amounts included in the IFRS consolidated financial statements of each Affiliate to reflect the Group's fair value adjustments and adjustments made for differences in accounting policies for affiliates when acquiring equity in Affiliates:

1) Unitech Electronics's Aggregate Financial Information:

	September 30, 2025	December 31, 2024	September 30, 2024
Current Asset	\$ 2,011,620	2,004,388	1,874,340
Non-Current Asset	510,028	547,490	551,759
Current Liability	(540,738)	(567,107)	(473,755)
Non-Current Liability	(78,821)	(101,189)	(99,697)
Net Assets	<u><u>\$ 1,902,089</u></u>	<u><u>1,883,582</u></u>	<u><u>1,852,647</u></u>
For the nine months ended September 30,			
	2025	2024	
Operating Income	<u><u>\$ 1,826,261</u></u>	<u><u>1,817,617</u></u>	
Current period net profit	\$ 70,704	63,743	
Other comprehensive income	(7,138)	2,970	
Total comprehensive income	<u><u>\$ 63,566</u></u>	<u><u>66,713</u></u>	
Comprehensive income attributable to non-controlling interests	<u><u>\$ 227</u></u>	<u><u>331</u></u>	
Comprehensive income attributable to owners of the investee company	<u><u>\$ 63,339</u></u>	<u><u>66,382</u></u>	
For the nine months ended September 30,			
	2025	2024	
Beginning carrying balance of the Group's share of net assets in affiliates	\$ 231,361	222,590	
The Group's total gains and losses attributable to affiliates	7,975	8,411	
Dividends received from affiliates	(5,735)	(3,306)	
Ending balance of the Group's share of net assets in affiliates	<u><u>233,601</u></u>	<u><u>227,695</u></u>	
Ending carrying balance of the Group's interest in affiliates	<u><u>\$ 233,601</u></u>	<u><u>227,695</u></u>	

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) As of September 30, 2025, the Group's equity-accounted investment— Unitech Electronics incurred impairment losses of \$76,640 thousand because its carrying amount had exceeded fair value.

3) The aggregate financial information of the Group's equity-method associates, which are individually insignificant, is summarized as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying amount of equity in individual insignificant associates	\$ <u>292,505</u>	<u>371,845</u>	<u>381,404</u>

(iii) The Group lost control of its investee company, GW Electronics, in June 2017 and changed to using the equity method. During 2017, the Group assessed that there was uncertainty in the recovery of the investment in GW Electronics, hence, recognized the full amount as impairment. As of September 30, 2025, the accumulated impairment loss was \$246,937 thousand.

(iv) The aggregate financial information of the Group's equity-method associates, which are individually insignificant, is summarized as follows(amounts included in the Group's consolidated financial statements):

	September 30, 2025	December 31, 2024	September 30, 2024	
Carrying amount of equity in individual insignificant associates	\$ <u>15,311</u>	<u>15,951</u>	<u>14,649</u>	
	For the three months ended September 30, 2025	For the nine months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2024
Attributable to the Group:				
Net gain for the period	\$ <u>218</u>	(74)	385	104
Other comprehensive income or loss	<u>607</u>	(251)	(1,025)	456
Comprehensive income or loss	\$ <u>825</u>	(325)	(640)	<u>560</u>

(v) Collaterals

As of September 30, 2025 and 2024, some of the Group's investments accounted for using the equity method had been pledged as collateral, please refer to note 8.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Subsidiaries	Main operation place	Parentage of non-controlling interests		
		September 30, 2025	December 31, 2024	September 30, 2024
Rehear Audiology Company LTD.	Taiwan	23.65 %	25.76	25.76 %

Rehear Audiology Company LTD.'s summarized consolidated financial information:

	September 30, 2025		December 31, 2024		September 30, 2024	
	2025	2024	2024	2024	2024	2024
Current assets	\$ 358,632		123,451		136,519	
Non-current assets	13,948		8,314		8,737	
Current liabilities	(9,093)		(3,782)		(4,987)	
Net assets	<u>\$ 363,487</u>		<u>127,983</u>		<u>140,269</u>	
Non-controlling interests	<u>\$ 277,524</u>		<u>95,015</u>		<u>104,139</u>	
Operating revenue		For the three months ended September 30,		For the nine months ended September 30,		
\$ -		2025	2024	2025	2024	
\$ (18,936)		(11,773)		(46,497)		(26,187)
Other comprehensive income		-	-	-		-
Total Comprehensive income	<u>\$ (18,936)</u>	<u>(11,773)</u>		<u>(46,497)</u>	<u>(26,187)</u>	
Profit (loss), attributable to non-controlling interests	<u>\$ (14,457)</u>	<u>(8,709)</u>		<u>(34,648)</u>	<u>(19,119)</u>	
Comprehensive income, attributable to non-controlling interests	<u>\$ (14,457)</u>	<u>(8,709)</u>		<u>(34,648)</u>	<u>(19,119)</u>	

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(h) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Group for the nine month ended September 30, 2025 and 2024 were as follows:

	<u>Land</u>	<u>Buildings and Construction</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leasehold improvements</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Unfinished construction</u>	<u>Total</u>
Costs									
Balance on January 1, 2025	\$ 270,496	51,264	1,819	156	1,356	18,303	3,807	1,440,041	1,787,242
Additions	-	-	112,189	-	-	4,221	4,547	-	120,957
Reclassification	-	-	1,440,041	-	-	-	-	(1,440,041)	-
Disposal	-	-	(1,552,230)	-	-	(419)	-	-	(1,552,649)
Effects of changes in foreign exchange rates	-	-	(57)	(6)	(63)	(303)	(2)	-	(431)
Balance on September 30, 2025	<u>\$ 270,496</u>	<u>51,264</u>	<u>1,762</u>	<u>150</u>	<u>1,293</u>	<u>21,802</u>	<u>8,352</u>	<u>-</u>	<u>355,119</u>
Balance on January 1, 2024	\$ 270,496	51,264	1,171	151	4,236	18,118	2,127	-	347,563
Additions	-	-	524,954	-	-	3,652	2,130	-	530,736
Disposal	-	-	(524,347)	-	-	(2,273)	(74)	-	(526,694)
Effects of changes in foreign exchange rates	-	-	53	7	172	271	18	-	521
Balance on September 30, 2024	<u>\$ 270,496</u>	<u>51,264</u>	<u>1,831</u>	<u>158</u>	<u>4,408</u>	<u>19,768</u>	<u>4,201</u>	<u>-</u>	<u>352,126</u>
Depreciation and impairment losses:									
Balance on January 1, 2025	\$ -	5,775	1,141	148	1,288	8,087	843	-	17,282
Additions	-	1,274	600	-	-	3,079	797	-	5,750
Disposal	-	-	(527)	-	-	(419)	-	-	(946)
Effects of changes in foreign exchange rates	-	-	(51)	(6)	(60)	(179)	(1)	-	(297)
Balance on September 30, 2025	<u>\$ -</u>	<u>7,049</u>	<u>1,163</u>	<u>142</u>	<u>1,228</u>	<u>10,568</u>	<u>1,639</u>	<u>-</u>	<u>21,789</u>
Balance on January 1, 2024	\$ -	4,076	1,054	143	3,851	8,011	711	-	17,846
Additions	-	1,274	26	-	242	2,871	360	-	4,773
Disposal	-	-	-	-	-	(2,251)	(74)	-	(2,325)
Effects of changes in foreign exchange rates	-	-	48	7	159	160	15	-	389
Balance on September 30, 2024	<u>\$ -</u>	<u>5,350</u>	<u>1,128</u>	<u>150</u>	<u>4,252</u>	<u>8,791</u>	<u>1,012</u>	<u>-</u>	<u>20,683</u>
Carrying amounts:									
Balance on January 1, 2025	<u>\$ 270,496</u>	<u>45,489</u>	<u>678</u>	<u>8</u>	<u>68</u>	<u>10,216</u>	<u>2,964</u>	<u>1,440,041</u>	<u>1,769,960</u>
Balance on September 30, 2025	<u>\$ 270,496</u>	<u>44,215</u>	<u>599</u>	<u>8</u>	<u>65</u>	<u>11,234</u>	<u>6,713</u>	<u>-</u>	<u>333,330</u>
Balance on January 1, 2024	<u>\$ 270,496</u>	<u>47,188</u>	<u>117</u>	<u>8</u>	<u>385</u>	<u>10,107</u>	<u>1,416</u>	<u>-</u>	<u>329,717</u>
Balance on September 30, 2024	<u>\$ 270,496</u>	<u>45,914</u>	<u>703</u>	<u>8</u>	<u>156</u>	<u>10,977</u>	<u>3,189</u>	<u>-</u>	<u>331,443</u>

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
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In order to expand its business and rendering various kinds of services, the Company built a total of 52 GPU servers, which were completed in June 2024, based on a resolution approved during its board meeting held on March 12, 2024. After continuous evaluation and consideration due to a number of factors such as the long preparation time of the professional AI computing team, the difficulty in technology training, and the timing of the AI cloud market, instead of building its own organizational team to operate in cloud services in July, the Company entered into an agreement with GMI Computing International Ltd., a related party, to lease out the GPU servers that have been built, to which it charge a rental fee from them.

The 127 GPU servers acquired by the Company have been received and installed as of March 31, 2025 for cloud computing operations, based on the resolution approved during its board meeting held on September 5, 2024. Moreover, the said equipment was recognized as "payable on machinery equipment" as of September 30, 2025, and December 31, 2024 since the relevant construction work has been completed and the servers were leased to GMI Computing, wherein the rental fees of \$2,202 thousand and \$912,248 thousand, respectively, have been collected.

Based on the decisions made by its board on September 5 and October 22, 2024, to be submitted during its shareholders' meeting for approval on December 10, 2024, the Group recognized the above lease, and the disposal of the subject asset, as a finance lease because the lease included the entire remaining term of the head lease, and finance lease receivable, respectively. Please refer to note 6(d) and note 7 for the finance lease payment receivable disclosed in the following table and related party transactions, respectively.

As of September 30, 2025, December 31 and September 30, 2024, certain property, plant and equipment of the Group had been pledged as collateral. Please refer to note 8.

(i) Right-of-use assets

	<u>Buildings and Construction</u>	<u>Transportation Equipment</u>	<u>Total</u>
Carrying amounts :			
Balance on January 1, 2025	\$ <u>9,102</u>	<u>2,176</u>	<u>11,278</u>
Balance on September 30, 2025	\$ <u>18,455</u>	<u>544</u>	<u>18,999</u>
Balance on January 1, 2024	\$ <u>16,158</u>	<u>4,352</u>	<u>20,510</u>
Balance on September 30, 2024	\$ <u>12,575</u>	<u>2,719</u>	<u>15,294</u>

During the nine months ended September 30, 2025 and 2024, the Group's right-of-use assets, recognized for leases of building structures, did not experience any significant increase, impairment, or reversal. For relevant information, please refer to note 6(h) to the consolidated financial statements for the year ended December 31, 2024.

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(j) Short-term notes and bills payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper payable	<u><u>\$ 499,589</u></u>	<u><u>449,326</u></u>	<u><u>149,613</u></u>

(i) Loans and payments

For nine months ended September 30, 2025 and 2024, the amounts, with interest rates ranging from 1.92%~1.93% and 1.91%~1.92%, and maturing dates that fall between October 2025, as well as October and November 2024, increased by \$5,542,002 thousand and \$2,199,094 thousand, resulting in the payments of \$5,491,739 thousand and \$2,249,082 thousand, respectively, during the periods.

(ii) Collateral for short-term notes

For the collateral for short-term notes and bills payable, please refer to note 8.

(k) Short-term borrowing

The short-term borrowings were summarized as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loans	<u><u>\$ 3,031,791</u></u>	<u><u>1,815,898</u></u>	<u><u>1,995,020</u></u>
Secured bank loans	<u><u>280,000</u></u>	<u><u>280,000</u></u>	<u><u>-</u></u>
	<u><u>\$ 3,311,791</u></u>	<u><u>2,095,898</u></u>	<u><u>1,995,020</u></u>
Unused short-term credit lines	<u><u>\$ 6,096,863</u></u>	<u><u>5,978,199</u></u>	<u><u>6,130,432</u></u>
Range of Interest rate	<u><u>1.85%~5.81%</u></u>	<u><u>1.88%~6.29%</u></u>	<u><u>1.85%~6.49%</u></u>

(i) Loans and repayments

For the nine months ended September 30, 2025 and 2024, the amounts, with interest rates ranging from 1.85%~5.81% and 1.85%~6.49%, maturing between October 2025 and September 2026, as well as October 2024 and September 2025, were \$6,986,290 thousand and \$5,474,842 thousand, resulting in the payments of \$5,770,397 thousand and \$4,834,788 thousand, respectively, during the periods.

(ii) Collateral for bank loans

For the collateral for bank loans, please refer to note 8.

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(l) Bonds Payable

(i) The information of the Group's Unsecured Bonds issued were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Total convertible corporate bond issued	\$ 1,000,000	1,000,000	1,000,000
Unamortised discount on corporate bonds payable	(37,881)	(53,678)	(58,885)
Cumulative converted amount	(100)	-	-
Balance of corporate bonds payable at end of period	<u><u>\$ 962,019</u></u>	<u><u>946,322</u></u>	<u><u>941,115</u></u>
Embedded derivative – recallable right, included in financial assets at fair value through profit or loss	\$ <u><u>100</u></u>	<u><u>1,200</u></u>	<u><u>2,800</u></u>
Equity component – conversion options, included in capital surplus– stock options	<u><u>\$ 65,865</u></u>	<u><u>65,872</u></u>	<u><u>65,872</u></u>
	For the three months ended September 30, 2025	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Embedded derivative – recallable right at fair value through profit or loss, included in financial liabilities at fair value through profit or loss	<u><u>\$ (300)</u></u>	<u><u>(700)</u></u>	<u><u>(1,100)</u></u>
	<u><u>1,000</u></u>		

During the period from January 1 to September 30, 2025, the Group had one convertible corporate bond exercised by the bondholder. The conversion price was \$73.5, resulting in the issuance of 14 thousand common shares.

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(ii) The principal terms of issue of the first convertible corporate bonds are as follows:

- 1) Periods: 3 Year (As of June 25, 2024 to June 25, 2027)
- 2) Cupon rate : 0%
- 3) Redemption method: The Company may redeem the bonds under the following circumstances:
 - A. For the period from 3 months after the issuance date to the 40 days before the expiration of the issuance period. If the Company's ordinary shares, which are listed on the Taiwan Stock Exchange (TWSE), have a closing price exceeding the current conversion price more than 30% for 30 consecutive business days, the Company has the right to redeem the bonds at the face value.
 - B. For the period from 3 months after the issuance date to the 40 days before expiration of the issuance period. If the outstanding balance of the convertible corporate bonds is less than 10% of the total face value of the original issue, the Company has the right to redeem the bonds at face value.
- 4) Conversion Method:
 - A. Creditors may apply for conversion into ordinary shares of the Company in accordance with the conversion method from September 26, 2024 to June 25, 2027.
 - B. Conversion Price: \$76.8 per share at the time of issuance, and in the event of an adjustment of the conversion price of the Company's common shares in accordance with the provisions of the issuance terms, the conversion price shall be adjusted in accordance with the formula specified in the issuance terms.

(m) Lease liabilities

The carrying amounts of the Group's lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	\$ <u>11,264</u>	\$ <u>10,592</u>	\$ <u>13,709</u>
Non-current	\$ <u>8,034</u>	\$ <u>1,463</u>	\$ <u>2,530</u>

The amounts of leases recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
	\$ <u>211</u>	\$ <u>202</u>	\$ <u>415</u>	\$ <u>651</u>
Interest expense on lease liabilities	\$ <u>211</u>	\$ <u>202</u>	\$ <u>415</u>	\$ <u>651</u>
Expenses relating to short-term leases	\$ <u>457</u>	\$ <u>483</u>	\$ <u>1,387</u>	\$ <u>1,458</u>

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Notes to the Consolidated Financial Statements

The amounts of leases recognized in the statement of cash flows for the Group was as follows:

	For the nine months ended	
	September 30,	
	2025	2024
Total cash outflow for leases	<u>\$ 13,818</u>	<u>14,360</u>

The Group leases buildings for its office space and employee housing, with terms that typically run for the periods of five and two years, respectively. Some leases include an option to extend the lease for the same period as the original contract upon maturity. To the extent that it is not reasonably certain that an optional extension of the lease term will be exercised, payments related to the period covered by the option are not included in the lease liability.

(n) Employee benefits

(i) Defined benefit plans

As there were no significant market fluctuations, curtailment, settlement or other significant one-off events subsequent to the previous year's reporting date, the Group adopted the actuarial pension costs as of December 31, 2024 and 2023 to measure and disclose the pension costs for the interim period.

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

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Operating Expence	<u>\$ 73</u>	<u>85</u>	<u>238</u>	<u>265</u>

(ii) Defined contribution plans

Under the defined pension plan, the Group's pension expenses, which had been contributed to the Labor Insurance Bureau, were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Operating Expence	<u>\$ 4,301</u>	<u>4,064</u>	<u>12,748</u>	<u>11,637</u>

(o) Income taxes

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Current tax expense	<u>\$ 33,464</u>	<u>15,704</u>	<u>36,054</u>	<u>71,775</u>

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
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There were no income tax expense recognized the Group equity and other comprehensive income for amount on September 30, 2025 and 2024.

The Company's tax returns for the years through 2022 were assessed by the National Taxation Bureau of R.O.C.

(p) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to September 30, 2025 and 2024. For the related information, please refer to note 6(n) to the consolidated financial statements for the year ended December 31, 2024.

(i) From January 1 to September 30, 2025, the Company issued 14 thousand new shares due to the exercise of conversion rights by holders of convertible corporate bonds. The shares were issued at par value, totaling \$140 thousand. The date of the capital increase was set as October 28, 2025, and the relevant statutory registration procedures have not yet been completed.

(ii) Capital surplus

The balances of capital surplus as of September 30, 2025 and 2024, were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Share capital at premium	\$ 220,030	219,941	219,941
Capital Surplus from actual acquisition or disposal of subsidiary equity at a price different from book value	558	370	370
Changes in net equity of associates recognized by equity method	36	36	36
Employee stock options	8,043	3,139	3,139
Subsidiary cash capital increase	82,415	19,710	19,710
Convertible corporate bonds stock options	65,865	65,872	65,872
	\$ 376,947	309,068	309,068

The Group did not participate in the cash capital increase of its subsidiary, Rehear Audiology, who issued 1,000 thousand shares, at a par value of \$5 per share and an issue price of \$80, with the base date set on August 1, 2024, based on its board meeting held on March 25, 2024. Instead, the entire shares above, totaling \$80,000 thousand, had been fully subscribed, with the relevant procedures having been completed on August 16, 2024, resulting in the Group's shareholding ratio to decrease from 27.05% to 25.76%, while maintaining control over Rehear Audiology and its relevant activities. Considering the future business development needs of its subsidiary and to optimize the shareholder structure, the Group repurchased 390 thousand shares on March 21, 2025, increasing its ownership percentage from 25.76% to 27.62%. Furthermore, the above transaction resulted in an increase of \$188 thousand in the Group's capital reserve.

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The subsidiary of the Group, Rehear Audiology, completed a cash capital increase on April 25, 2025, as approved by its board of directors. A total of 3,525 thousand new shares were issued at a par value of \$5 per share and an issue price of \$80 per share, with total proceeds of \$282,000 thousand. The base date for the capital increase was set on June 24, 2025. The Group did not subscribe to the new shares in proportion to its original shareholding, resulting in a decrease in its ownership percentage from 27.62% to 23.65%, resulting in a change in ownership interests and an increase of \$62,705 thousand in capital reserve.

On July 3, 2025, the Board of Directors resolved to conduct a capital increase through the issuance of new shares for cash. In accordance with applicable regulations, a portion of the new shares was reserved for employee subscription. Please refer to note 6(y) for further details.

(iii) Retained earning

In accordance with the Company's Articles of Association, if there is any surplus in the annual final accounts, the Company shall first pay taxes to cover for the prior years' deficits and then set aside 10% of the legal reserve, except when the legal reserve has reached the Company's paid-in capital; in addition, special reserve shall be set aside in accordance with the Company's operating needs and laws and regulations. Then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

In order to maintain a sound financial structure and to take into account the interests of investors, the Company adopts a balanced dividend policy by distributing no less than 30% of the distributable earnings and paying cash dividends on 10% or more of the dividends distributed in a given year. If the dividend is less than \$3, the Company may distribute stock dividends in full.

1) Earing distribution

On June 25, 2025, the 2024 earnings appropriation was resolved in a board meeting. On June 26, 2024, the 2023 earnings appropriation was approved in a general shareholders' meeting. The amounts of dividends distributed to owners were as follows

	2024		2023	
	Amount per share	Total Amount	Amount per share	Total Amount
Dividends distributed to ordinary shareholders:				
Cash	\$ 1.40	<u>227,675</u>	1.20	<u>195,150</u>

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(q) Earnings per share

(i) Basic earnings per share

The Group's earnings per share, basic and diluted, were calculated as follows :

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Profit attributable to ordinary shareholders of the Company	\$ <u>168,796</u>	<u>49,741</u>	<u>92,175</u>	<u>263,997</u>
Weighted-average number of outstanding ordinary shares (thousand shares)	<u>162,626</u>	<u>162,625</u>	<u>162,626</u>	<u>162,625</u>
Earning per shares	<u>\$ 1.04</u>	<u>0.31</u>	<u>0.57</u>	<u>1.62</u>

(ii) Diluted earnings per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Profit (Loss) attributable to ordinary shareholders of the Company (basic)	\$ 168,796	49,741	92,175	263,997
Effect of dilutive potential ordinary shares				
Interest expense on convertible bonds, net of tax and gains on remeasurements of redemption of convertible corporate bonds at fair value	4,535	-	-	5,142
Profit attributable to ordinary shareholders of the Company (dilutive)	<u>\$ 173,331</u>	<u>49,741</u>	<u>92,175</u>	<u>269,139</u>
Weighted-average number of ordinary shares outstanding (thousand shares)	162,626	162,625	162,626	162,625
Bonds payable	13,661	-	-	4,626
Effect of employee share bonus	4	6	-	9
Weighted-average number of ordinary shares outstanding at September 30 (dilution) (thousand shares)	<u>176,291</u>	<u>162,631</u>	<u>162,626</u>	<u>167,260</u>
Diluted Earnings per share	<u>\$ 0.98</u>	<u>0.31</u>	<u>0.57</u>	<u>1.61</u>

Note: The impact of the Company's issuance of convertible corporate bonds was anti-dilutive for the nine months ended September 30, 2025, and for the three months ended September 30, 2024. Therefore, diluted earnings per share were not included in the calculation in the consolidated financial statements.

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Revenue from contracts with customers

(i) Details of revenue

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Primary geographical markets:				
Taiwan	\$ 165,826	128,336	477,152	387,031
United states	55,544	-	131,918	-
China	4,881,780	4,380,327	14,947,546	12,381,738
Other	<u>102,263</u>	<u>260,982</u>	<u>554,890</u>	<u>575,616</u>
	<u><u>\$ 5,205,413</u></u>	<u><u>4,769,645</u></u>	<u><u>16,111,506</u></u>	<u><u>13,344,385</u></u>
Major products/service lines:				
Digital Communication Solutions and Components	\$ 4,439,284	4,217,557	14,138,584	11,815,383
Storage Applications Solutions and Components	650,368	508,123	1,662,401	1,382,960
Analog Electronic Components	43,704	24,566	126,805	126,643
Server lease interest revenue	<u>72,057</u>	<u>19,399</u>	<u>183,716</u>	<u>19,399</u>
	<u><u>\$ 5,205,413</u></u>	<u><u>4,769,645</u></u>	<u><u>16,111,506</u></u>	<u><u>13,344,385</u></u>

(ii) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 232,400	202,550	215,601
Accounts receivable	4,654,195	3,904,248	3,983,416
Accounts receivable due from related parties	22,526	10,993	20,929
Less: Loss allowance	<u>(43,425)</u>	<u>(37,027)</u>	<u>(38,541)</u>
Total	<u><u>\$ 4,865,696</u></u>	<u><u>4,080,764</u></u>	<u><u>4,181,405</u></u>
Contract liabilities	<u><u>\$ 48,492</u></u>	<u><u>14,657</u></u>	<u><u>64,604</u></u>

The opening balances of contract liabilities of \$9,339 thousand and \$27,349 thousand on January 1, 2025 and 2024 were recognized as income for the nine months ended September 30, 2025 and 2024, respectively.

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

For details on finance lease payment receivable and allowance for impairment, please refer to note 6(d).

(s) Employee compensation and directors' and supervisors' remuneration

On June 25, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Company Article of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2% (in cash) of the remaining net profit shall be allocated as remunerations to directors and supervisors, and not less than 1% (in shares or in cash) as employee remuneration, including a minimum of 15% to those base-level employees. The distribution shall also include those employees of the Company's subsidiaries who meet certain requirements. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficits. Thereafter, a maximum of 2% (in cash) of the remaining net profit shall be allocated as remunerations to directors and supervisors, and a minimum of 0.1% (in shares or in cash) as employee remuneration, including those employees of the Company's subsidiaries who meet certain requirements. The distribution of employee remuneration, be it in shares or in cash, has to be resolved at the board meeting. Thereafter, the remuneration to each employee, director and supervisor should be submitted and reported to the shareholders' meeting.

For the three months and nine months ended 2025 and 2024, the Company accrued its employee remunerations of \$150 thousand, \$100 thousand, \$150 thousand and \$400 thousand; as well as its remunerations to directors and supervisors of \$1,800 thousand, \$1,300 thousand, \$1,800 thousand and \$6,800 thousand, respectively. The estimated amounts mentioned above were calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during the nine months ended September 30, 2025 and 2024. If the actual amounts differ from the estimated amounts, the differences shall be accounted as changes in accounting estimates and recognized as profit or loss in the following year. However, if the Board of Directors resolved that the employee remuneration is distributed through stock dividends, the numbers of shares to be distributed will be calculated based on the closing price of the Company's ordinary shares one day before the date of the meeting of Board of Directors.

During 2024 and 2023, employee remunerations were estimated at \$600 thousand and \$450 thousand, respectively; director remunerations were estimated at \$10,000 thousand and \$8,200 thousand, respectively. There is no difference between the actual distribution and the estimated distribution. Relevant information is available on the Market Observation Post System website.

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(t) Non-operating income and expenses:

(i) Interest income

Interest income of the Group are detailed as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Interest income	\$ 2,130	8,979	14,151	30,223
(ii) Other income				

The Group's other income was as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Other	\$ 516	2,412	3,314	11,503

(iii) Other gains and losses

The Group's other gains and losses were as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Foreign exchange gains (losses)	\$ 105,756	(46,613)	(217,627)	14,160
Net gain on financial assets at fair value through profit or loss	649	(576)	447	1,509
Gain or loss on disposals of property, plant and equipment	-	-	527	(22)
	<u>\$ 106,405</u>	<u>(47,189)</u>	<u>(216,653)</u>	<u>15,647</u>
(iv) Finance costs				

Finance costs of the Group are detailed as follows:

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Interest on bank loans	\$ (23,789)	(19,322)	(73,044)	(49,011)
Interest expenses on lease liabilities	(211)	(202)	(415)	(651)
Interest expenses on convertible corporate bonds	(5,293)	(5,178)	(15,793)	(5,178)
	<u>\$ (29,293)</u>	<u>(24,702)</u>	<u>(89,252)</u>	<u>(54,840)</u>

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Financial instruments

Except as set out below, there was no material change in both the fair value of the Group's financial instruments and the associated exposure to credit risk, liquidity risk and market risk. Please refer to note 6(u) to the consolidated financial statements for the year ended December 31, 2024 for relevant information.

(i) Currency risk

1) Exposure of foreign currency risk

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

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 330,603	30.445	10,065,208	248,307	32.785	8,140,745	256,182	31.650	8,108,160
RMB	339	4.271	1,448	219	4.478	981	342	4.523	1,547
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	196,433	30.445	5,980,403	131,228	32.785	4,302,310	140,902	31.650	4,459,548

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of the NTD against the USD and the CNY at September 30, 2025 and 2024, would have increased or decreased the profit before tax by \$40,863 thousand and \$36,502 thousand, respectively. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

3) Foreign exchange gains and losses on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the the nine months ended September 30, 2025 and 2024, foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$(217,627) thousand and \$14,160 thousand, respectively.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Fair value of financial instruments

1) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	September 30, 2025				
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Fund	\$ 272,592	272,592	-	-	272,592
Convertible corporate bonds- recallable right	100	-	100	-	100
	<u>\$ 272,692</u>	<u>272,592</u>	<u>100</u>	<u>-</u>	<u>272,692</u>
December 31, 2024					
Financial assets at fair value through profit or loss					
Fund	\$ 91,045	91,045	-	-	91,045
Convertible corporate bond recallable rights	1,200	-	1,200	-	1,200
	<u>\$ 92,245</u>	<u>91,045</u>	<u>1,200</u>	<u>-</u>	<u>92,245</u>
September 30, 2024					
Financial assets at fair value through profit or loss					
Fund	\$ 90,695	90,695	-	-	90,695
Convertible corporate bond recallable rights	2,800	-	2,800	-	2,800
	<u>\$ 93,495</u>	<u>90,695</u>	<u>2,800</u>	<u>-</u>	<u>93,495</u>

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Valuation techniques for financial instruments measured at fair value

If a financial instrument has a public price in an active market, the public price in an active market is the fair value. Market prices published by major exchanges and central government bond over-the-counter trading centers are considered sought after securities and are the basis for the fair value of listed equity instruments and debt instruments publicly quoted in active markets.

The public price of a financial instrument is provided on a timely and regular basis by an exchange, broker, underwriter, trade association, pricing service or authority, which represents actual and frequent fair market traders. If the above conditions are not met, the market is considered inactive. In general, large bid-ask spreads, increasing bid-ask spreads, or low volume are indicators of market inactivity.

Measurements of fair value of financial instruments without an active market are based on valuation techniques or quoted prices from competitors. Fair values, measured by using valuation techniques that can be derived from the current fair values of other financial instruments with substantially similar terms and characteristics, discounted cash flow analysis, or other valuation techniques, including models utilizing market information available at the reporting date.

(v) Financial risk management

The Group's financial risk management objectives and policies do not differ materially from those disclosed in note 6(v) to the consolidated financial statements for the year ended December 31, 2024.

(w) Capital management

The Group's capital management objectives and policies do not differ materially from those disclosed in the consolidated financial statements for the year ended December 31, 2024. Besides, the aggregate quantitative information on capital management items do not differ materially from that disclosed in the consolidated financial statements for the year ended December 31, 2024. For relevant information, please refer to note 6(w) to the consolidated financial statements for the year ended December 31, 2024.

(x) Investing and financing activities not affecting cash flows

The reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2025	Cash flows	Amortization of discount premium	Conversion of common stock	Lease modification	Foreign exchange movement	September 30, 2025
Short-term notes and bills payables	\$ 449,326	50,263	-	-	-	-	499,589
Short-term borrowings	2,095,898	1,215,893	-	-	-	-	3,311,791
Lease liabilities	12,055	(12,016)	-	-	19,924	(665)	19,298
Bonds payable	946,322	-	15,797	(100)	-	-	962,019
Total liabilities from financing activities	\$ 3,503,601	1,254,140	15,797	(100)	19,924	(665)	4,792,697

(Continued)

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	January 1, 2024	Cash flows	Amortization of discount premium	Lease modification	Foreign exchange movement	Non-Cash changes	September 30, 2024
Short-term notes and bills payables	\$ 199,601	(49,988)	-	-	-	-	149,613
Short-term borrowings	1,350,950	640,054	-	-	4,016	1,995,020	
Long-term borrowings	202,300	(202,300)	-	-	-	-	
Bonds payable	-	1,000,000	(58,885)	-	-	-	941,115
Lease liabilities	21,628	(12,251)	-	6,221	641	16,239	
Total liabilities from financing activities	<u>\$ 1,774,479</u>	<u>1,375,515</u>	<u>(58,885)</u>	<u>6,221</u>	<u>4,657</u>	<u>3,101,987</u>	

(y) share-based payment transaction

(i) The Group's Board of Directors resolved to implement the issuance of stock for cash on July 3, 2025, of which 2,000 thousand shares were reserved for employee subscription. Relevant information is as follows:

Cash injection reserved for employees subscription	
Grant date	Balance at September 22, 2025
Number of options granted	1,226 thousand shares
Recipients	Employee
Vesting conditions	Immediately vested

The Group adopted the option pricing model to evaluate the fair value of the share-based payments on the grant date. The assumptions adopted in this valuation model were as follows:

The fair value per unit of the share option was \$4.00 and the remuneration cost of \$4,904 thousand was recognized in 2025 and classified as operating expenses. Please refer to note 6(p) for the capital reserve recognition.

(ii) Employee expenses attributable to share based payment are as follows:

	For the nine months ended September 30, 2025
Expenses resulting from granted employee share options	<u>\$ 4,904</u>

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions

(a) Names and relationship with related parties

The followings are related parties that have had transactions with the Group during the periods covered in the consolidated financial statements:

Name of related party	Relationship with the Group
Unitech Electronics Co., Ltd. (hereinafter referred to as "Unitech Electronics")	Investee company accounted for using equity method by the Group
Realtek Semiconductor Corp. (hereinafter referred to as "Realtek")	The Chairman of the company is the beneficial party of the entity
Realtek Singapore private Limited (hereinafter referred to as "Realtek Singapore")	Subsidiary of Realtek Semiconductor Co.
RayMx Microelectronics Corp (hereinafter referred to as RayMx)	Subsidiary of Realtek Semiconductor Co.
Actions Technology (HK) Company Ltd. (hereinafter referred to as "Actions (HK)").	The Chairman of the company is the beneficial party of the entity
GMI Computing International Ltd. (hereinafter referred to as "GMI Computing")	The Chairman of the company is the first-degree family of the Chairman of the company.
HI-JET INCORPORATION (hereinafter referred to as "HI-JET")	The Chairman of the company is the same as of the Chairman of the company
Realsil Microelectronics (Suzhou) Co., Ltd. - Realsil (hereinafter referred to as "Realsil")	Subsidiary of Realtek Semiconductor Co.
UNITECH COMPUTER CO.,LTD.(hereinafter referred to as "UNITECH COMPUTER")	The Chairman of the company is the same as of the Chairman of the company
Chia-Wen Yeh	The Chairman of the company.
Wan-Yu Cho	The senior manager of the company.
Po-Jen Liao	The senior manager of the company.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
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(b) Significant related-party transactions

(i) Sale revenue

The amounts of significant sales transactions between the Group and related parties were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Other related parties- Realtek	\$ 20,828	1,244	55,609	41,385
Other related parties- Realtek Singapore	3,356	16,527	24,244	28,011
Other related parties- Unitech Electronics	105	-	150	143
	\$ 24,289	17,771	80,003	69,539

The sales price to related parties are not significantly different from that of the general sales price. Receivables between related parties are not subject to collateral based on the Group's assessment.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Other related parties- Realtek	\$ 2,981,267	2,548,871	9,583,074	7,698,686
Other related parties- Realtek Singapore	1,183,696	1,367,541	4,049,924	3,349,256
Other related parties-RayMx	26,520	7,916	133,761	60,210
Other related parties-Actions (HK)	72,707	100,471	215,923	263,615
Other related parties-Realsil	2	-	5	-
	\$ 4,264,192	4,024,799	13,982,687	11,371,767

The Group did not purchase the product specifications from the related party from other vendors, so the purchase price was not comparable to other vendors. The payment terms were not significantly different from those of non-related-parties.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Receivables from related parties

The receivables from related parties were as follows:

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Receivable to related parties	Realtek	\$ 17,623	2,539	1,306
Receivable to related parties	Realtek Singapore	4,793	8,407	19,600
Receivable to related parties	Unitech Electronics	110	47	23
Financial lease payment receivables -related parties	GMI Computing	1,752,541	505,046	499,458
Other receivables due from related parties	GMI Computing	28,315	-	-
		<u>\$ 1,803,382</u>	<u>516,039</u>	<u>520,387</u>

(iv) Payable from related parties

The payables to related parties were as follows:

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Payables to related parties	Realtek	\$ 2,133,751	1,343,386	1,867,683
Payables to related parties	Realtek Singapore	810,272	1,057,514	929,502
Payables to related parties	RayMx	23,404	36,050	6,556
Payables to related parties	Actions (HK)	48,688	31,289	19,922
		<u>\$ 3,016,115</u>	<u>2,468,239</u>	<u>2,823,663</u>

(v) Property transaction

- 1) In April 2024, the Group sold its 200 thousand shares in Rehear Audiology to its management for \$1,000 thousand, which has already been received. As the Company considers its development and improvement of its shareholder structure, it has reached an agreement with the aforementioned management on December 31, 2024 for the Group to repurchase the entire shares above at the original price on March 21, 2025, wherein the payment has been made as of the reporting date.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
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2) On March 11, 2025, the Group sold equipment to a related party for a total consideration of \$14,253 thousand, as approved by the Board of Directors on March 11, 2025, resulting in a loss of \$527 thousand. In addition, the Group also purchased equipment from GMI Computing for a total of \$7,857 thousand. As of September 30, 2025, the outstanding net receivable related to both transactions has been fully collected. For further details on property, plant, and equipment, please refer to Note 6(h).

(vi) Financial leases

The Group entered into two 5-year lease agreements, at the total contract amounts of \$2,202,835 thousand (USD66,340 thousand) and \$747,936 thousand (USD23,402 thousand), for its 127 and 52 units of GPU servers to be leased out to its related party, GMI Computing, starting from March 1, 2025 and July 1, 2024, with the monthly rentals of USD1,106 thousand (excluding tax) and USD390 thousand (excluding tax) within seven days after invoicing, wherein the Group had obtained the principal notes of \$307,422 thousand and \$40,280 thousand, respectively, from GMI Computing.

The lease periods under the aforementioned agreements cover the major useful life of the underlying assets. Based on the contractual terms, substantially all risks and rewards incidental to ownership of the assets have been transferred. Therefore, the Group has classified these leases as finance leases. On March 1, 2025 (the lease commencement date) and July 1, 2024 (the lease commencement date), the Group derecognized the machinery and equipment costs of \$1,537,977 thousand and \$524,347 thousand, respectively, and recognized finance lease receivables from the related party.

On May 9, 2025, the board of directors approved revisions of the server transaction terms, resulting in a lease modification loss of \$49,012 thousand (USD1,673 thousand), which was recorded under "Operating costs".

According to above trade, the Group recognizes rental interest of \$183,716 thousand (be recognized in operating revenue), related rental payment was \$248,106 thousand (USD7,933 thousand) had been fully reimbursed. As of September 30, 2025, the present value of the outstanding lease receivables amounted to \$1,752,541 thousand (USD57,565 thousand). For related disclosures, please refer to note 6(d).

(vii) Others

1) During the period from January 1 to September 30, 2025, the Group paid server room rental and related expenses amounting to \$131,543 thousand (excluding VAT) on behalf of another related party, GMI Computing. As of September 30, 2025, the related outstanding amount of \$28,315 thousand was recorded under "Other receivables – related parties."

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) During the periods from January 1 to September 30 of 2025 and 2024, the Group paid investment advisory fees of \$1,524 thousand and \$1,714 thousand, respectively, to other related parties. In addition, during the period from January 1 to September 30 of 2025, the Group paid cloud server maintenance fees of \$1,187 thousand to other related parties, wherein the payment has been made as of September 30, 2025.

(viii) Endorsement

As of September 30, 2025 and 2024, the Group's bank loans were jointly guaranteed by the chairman of the Company to the extent of \$0 thousand and \$250,000 thousand, respectively.

(c) Key management personnel compensation

Key management personnel compensation includes:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
	\$ 4,194	4,720	24,387	25,410
Short-term employee benefits	\$ 4,194	4,720	24,387	25,410
Post-employment benefits	36	70	137	221
	\$ 4,230	4,790	24,524	25,631

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	September 30, 2025	December 31, 2024	September 30, 2024
Time deposit (classified under other financial assets)	Bank loan limit	\$ 235,741	231,596	232,002
Property, plant and equipment	Short-term bank loans	294,186	294,867	-
Stock (classified under Investments accounted for using the equity method)	Short-term notes and bills payable	233,601	231,361	227,695
Finance lease receivables(note)	Short-term bank loans	-	505,046	499,458
		\$ 763,528	1,262,870	959,155

Note: Since the machinery and equipment were recognized as assets held under finance leases, the amount of net lease investment had been accounted for as finance lease receivables.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(9) Commitments and contingencies:

(a) Guarantees provided by the Group's bank to its suppliers for the delivery of goods:

	September 30, 2025	December 31, 2024	September 30, 2024
Purchase Guarantee	<u><u>\$ 323,115</u></u>	<u><u>306,710</u></u>	<u><u>299,900</u></u>

(b) The amount of unused outstanding letters of credit were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Outstanding standby letters of credit	<u><u>\$ 3,199,325</u></u>	<u><u>2,924,951</u></u>	<u><u>2,876,134</u></u>

(c) The tax payable on imported goods guaranteed by the Group's bank:

	September 30, 2025	December 31, 2024	September 30, 2024
Taxes on imported goods guaranteed by banks	<u><u>\$ 4,000</u></u>	<u><u>4,000</u></u>	<u><u>4,000</u></u>

(d) As of September 30, 2025, December 31 and September 30, 2024, the Group had issued \$1,222,645 thousand, \$1,252,645 thousand and \$1,252,645 thousand, respectively, of guarantee notes for the purchase of goods from vendors.

(10) Losses Due to Major Disasters:None.

(11) Subsequent Events:

(a) On October 20, 2025, the Board of Directors resolved that, in response to actual operational needs, the Company intends to sell 127 H200 GPU servers to its U.S. subsidiary, GMI USA Corporation. The total sale price is USD44,233 thousand (approximately NTD1,346,674 thousand). The Board of Directors authorized the President to handle subsequent matters within a range of ± 10% of the aforementioned sale price. In addition, the Company reached an agreement with the original lessee, Taiwan Branch of GMI Computing International Ltd., a company incorporated in the Cayman Islands (hereinafter referred to as "GMI Computing"), to change the lessee from GMI Computing to GMI Cloud US INC. Furthermore, the Company plans to convene an extraordinary shareholders' meeting on December 26, 2025, to report and explain the related-party transaction and seek approval from the shareholders.

(b) Due to an anticipated decline in market demand for H100 server rentals, GMI Computing submitted a request to the Company to terminate the lease agreement for 31 H100 servers. GMI Computing also committed to bear any losses incurred by the Company as a result of the disposal of the related assets. On October 20, 2025, the Board of Directors approved the termination of the lease for these 31 servers. Subsequently, the Company sold 31 H100 servers to Konsttech LTD. for a total consideration of USD5,270 thousand (approximately NTD161,894 thousand) on October 28, 2025. The payment was fully received on October 23, 2025. In addition, pursuant to the agreement with GMI Computing, the Company is entitled to receive compensation from GMI Computing for the disposal loss totaling USD3,000 thousand (approximately NTD92,160 thousand), which has not yet been received.

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) The Company was approved by the Financial Supervisory Commission to conduct a cash capital increase by issuing 20,000,000 new shares with a par value of \$10 per share and an issue price of \$39.80 per share on September 1, 2025. October 29, 2025, was set as the record date for the capital increase. The relevant capital has been fully raised; however, the registration process for the capital increase has not yet been completed.

(12) Other:

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

By item	By function	For the three months ended September 30				
		2025			2024	
		Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense
Employee benefits						
Salary		-	66,498	66,498	-	51,336
Labor and health insurance		-	3,926	3,926	-	3,395
Pension		-	4,374	4,374	-	4,149
Others		-	2,995	2,995	-	2,026
Depreciation		-	5,467	5,467	-	5,760

By item	By function	For the nine months ended September 30				
		2025			2024	
		Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense
Employee benefits						
Salary		-	170,203	170,203	-	162,383
Labor and health insurance		-	11,719	11,719	-	10,129
Pension		-	12,986	12,986	-	11,902
Others		-	12,251	12,251	-	7,902
Depreciation		-	17,317	17,317	-	16,806

(b) Seasonality of operations

The operations Group was not influence by seasonality or cyclical factors.

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

(i) Loans to other parties: None.
(ii) Guarantees and endorsements for other parties:None.

G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(iii) Securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures):

Company holding securities	Security type and name	Relationship with company	Account	September 30, 2025				Remark
				Shares (in thousands)	Carrying value	Percentage of ownership (%)	Market value (or net value)	
Rehear Audiology Company Ltd.	CTBC Hua Win Money Market Fund	-	Non-current financial assets at fair through profit or loss	-	272,592	- %	272,592	-

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Realtek	The Chairman of the company is the beneficial party of the entity	Purchase	9,583,074	61.01 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(2,133,751)	(64.40)%	-
The Company	Realtek Singapore	Subsidiary of Realtek Semiconductor Co.	Purchase	4,049,924	25.78 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(810,272)	(24.46)%	-
The Company	RayMx	Subsidiary of Realtek Semiconductor Co.	Purchase	133,761	0.85 %	Monthly settlement occurs 45 days after the invoice is issued	No purchases from other vendors	No material variance	(23,404)	(0.71)%	-
The Company	Actions (HK)	The Chairman of the company is the beneficial party of the entity	Purchase	215,923	1.37 %	Monthly settlement occurs 30 days after the invoice is issued	No purchases from other vendors	No material variance	(48,688)	(1.47)%	-
The Company	G.M.I (Shanghai)	Subsidiaries	Sales	(475,150)	(2.95) %	Monthly settlement occurs 120 days after the invoice is issued	No material variance	No material variance	169,161	3.48%	Note
The Company	Vector Electronic Co. Ltd	Subsidiaries	Sales	(764,688)	(4.75) %	Monthly settlement occurs 120 days after the invoice is issued	No material variance	No material variance	355,396	7.30%	Note

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

(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
The Company	G.M.I (Shanghai)	Subsidiaries	169,161	416.02 %	-		91,247	-	Note
The Company	Vector Electronic Co. Ltd	Subsidiaries	355,396	378.44 %	129,209	Collecting	196,032	-	Note
The Company	GMI Computing	The Chairman of the company is the first-degree family of the Chairman of the Company.	1,752,541	26.15 %	-		23,467	-	-

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

(vi) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions				Percentage of the consolidated net revenue or total assets
				Account name	Amount	Trading terms		
0	GMI company	Hong Da Fu Tong	1	Business consultation fees	64,837	Monthly payment		0.40%
0	GMI company	G.M.I (Shanghai)	1	Sales revenue	475,150	Based on cost-plus approach		2.95%
0	GMI company	G.M.I (Shanghai)	1	Accounts receivable	169,161	Monthly settlement occurs 120 days after the invoice is issued		1.49%
0	GMI company	G.M.I (Shanghai)	1	Business consultation fees	42,156	Monthly payment		0.26%
0	GMI company	Vector Electronic	1	Sales revenue	764,688	Based on cost-plus approach		4.75%
0	GMI company	Vector Electronic	1	Accounts receivable	355,396	Monthly settlement occurs 120 days after the invoice is issued		3.13%

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G.M.I. TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Note 1: Numbers are filled in as follows:

1. "0" represents the Group
2. The subsidiaries start with number 1.

2: Relationship with the listed companies:

1. Transactions from parent Group to subsidiary
2. Transactions from subsidiary to parent Group
3. Transactions between subsidiaries

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares (thousands)	Percentage of ownership	Carrying value			
GMI Technology Inc.	G.M.I. Technology (BVI) Ltd.	British Virgin Islands	Investment holding	556,991	556,991	18,277	100.00 %	(57,780)	9,423	9,423	Note 1
GMI Technology Inc.	GLOBAL MOBILE INTERNET CO., LTD	Taiwan	Sale of electronic products	15,484	15,484	1,548	34.21 %	15,311	1,562	385	
GMI Technology Inc.	Unitech Electronics Co., Ltd.	Taiwan	Sale of electronic products	200,739	200,739	9,559	12.73 %	233,601	70,425	8,964	
G.M.I. Technology (BVI) Ltd.	Vector Electronic Co. Ltd	Hong Kong	Trading of electronic components and investment holding	151,141	151,141	34,149	100.00 %	(57,857)	9,423	9,423	Note 1
G.M.I. Technology (BVI) Ltd.	HARKEN INVESTMENTS LIMITED	British Virgin Islands	Investment holding	393,484	393,484	13,169	100.00 %	74	-	-	Note 1
HARKEN INVESTMENTS LIMITED	GW Electronics Company Limited	Hong Kong	Trading of electronic components	393,236	393,236	102,000	51.00 %	-	-	-	
GMI Technology Inc.	Rehear Audiology Company LTD.	Taiwan	Research, development and sales of medical equipments	29,000	27,050	5,800	23.65 %	80,756	(46,497)	(11,849)	Note 1
GMI Technology Inc.	GMI USA Corporation	USA	Service Leasing	14,740	-	500	100.00 %	15,082	(144)	(144)	Note 1, Note 2

Note1: The transactions were written off in the consolidated financial statements.

Note2: The subsidiary has completed its establishment and registration procedures on February 12, 2025, and its share capital is invested in July 2025.

(c) Information on investment in mainland China:

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

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
G.M.I (Shanghai) Trading Company Limited.	Trading of electronic components and business marketing consulting	68,382	(b)	48,708	-	-	48,708 (Note 2)	(6,824)	100.00%	(6,824)	(76,118)	-	
Hong Da Fu Tong Electronics Company Limited	Trading of electronic components	65,445	(b)	44,660	-	-	44,660 (Note 2)	9,130	100.00%	9,130	(919)	-	

Note 1: Three types of investment method are as follows:

- (a) Direct investment in Mainland China.
- (b) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (c) Others

Note 2: The difference between the amount of paid-in capital and the accumulated investment amount remitted from Taiwan at the end of the period is the direct investment by Vector Electronic Co. Ltd with its own capital.

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
93,368	629,123	1,704,767

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(Continued)

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(14) Segment information:

The operating segment information and reconciliations of the Group are as follows:

(a) General information

The reportable segments are the Group's strategic divisions. They offer different products and services, and are managed separately because they require different technology and marketing strategies. Most of the strategic divisions were acquired separately. The management of the acquired divisions remains employed by the Group.

(b) Information about reportable segments and their measurement and reconciliations

The Group uses the segment profit before tax from internal management reports reviewed by the chief operating decision maker as the basis for resource allocation and performance evaluation by management.

	For the three months ended September 30,			
	2025			
	<u>Business department</u>	<u>Leasing business department</u>	<u>Reconciliati on and eliminations</u>	<u>Total</u>
Revenue :				
Revenue from external customers	\$ 5,133,356	72,057	-	5,205,413
Intersegment revenues	-	-	-	-
Total revenue	\$ 5,133,356	72,057	-	5,205,413
Reportable segment profit and loss	\$ 19,723	83,003	-	102,726

	For the three months ended September 30,			
	2024			
	<u>Business department</u>	<u>Leasing business department</u>	<u>Reconciliati on and eliminations</u>	<u>Total</u>
Revenue :				
Revenue from external customers	\$ 4,750,246	19,399	-	4,769,645
Intersegment revenues	-	-	-	-
Total revenue	\$ 4,750,246	19,399	-	4,769,645
Reportable segment profit and loss	\$ 96,747	18,096	-	114,843

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For the nine months ended September 30,				
2025				
	Business department	Leasing business department	Reconciliati on and eliminations	Total
Revenue :				
Revenue from external customers	\$ 15,927,790	183,716	-	16,111,506
Intersegment revenues	-	-	-	-
Total revenue	\$ 15,927,790	183,716	-	16,111,506
Reportable segment profit and loss	\$ 245,676	126,996	-	372,672
For the nine months ended September 30,				
2024				
	Business department	Leasing business department	Reconciliati on and eliminations	Total
Revenue :				
Revenue from external customers	\$ 13,324,986	19,399	-	13,344,385
Intersegment revenues	-	-	-	-
Total revenue	\$ 13,324,986	19,399	-	13,344,385
Reportable segment profit and loss	\$ 287,841	18,096	-	305,937