

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Balance Sheet
June 30, 2025, December 31 and June 30, 2024
(Expressed in thousands of New Taiwan dollars)

	2025/6/30		2024/12/31		2024/6/30			2025/6/30		2024/12/31		2024/6/30	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
Assets							Liabilities and Equity						
Current assets :							Current liabilities :						
Cash and cash equivalents	\$ 5,167,861	23	\$ 3,957,279	17	\$ 5,424,298	23	Current borrowings	\$ 2,815,363	13	\$ 1,615,357	7	\$ 1,993,422	8
Current financial assets at fair value through profit or loss	21,754	-	5,192	-	10,594	-	Current financial liabilities at fair value through profit or loss	362	-	23,758	-	11,861	-
Current financial assets at amortised cost	12,391	-	73,355	-	3,258	-	Current contract liabilities	937,780	4	1,339,841	5	933,087	4
Notes and accounts receivable, net	3,585,822	16	3,969,144	17	3,552,850	15	Accounts payable(including related parties)	3,483,633	15	3,460,727	15	3,562,957	15
Accounts receivable due from related parties, net	-	-	1,568	-	-	-	Accrued expenses	422,926	2	549,804	2	503,626	2
Inventories	6,272,142	27	6,929,471	30	6,922,552	29	Dividends payable, non-cash assets distributions	741,337	3	-	-	743,260	3
Other current assets	811,780	3	767,495	4	814,015	3	Current tax liabilities	88,290	-	187,745	1	337,767	1
	15,871,750	69	15,703,504	68	16,727,567	70	Current provisions	216,418	1	231,771	1	275,735	1
Non-current assets :							Long-term borrowings, current portion	160,000	1	80,000	-	-	-
Non-current financial assets at fair value through profit or loss	89,315	-	52,620	-	-	-	Other current liabilities, others	671,841	3	850,904	5	824,636	4
Non-current financial assets at fair value through other comprehensive income	96,119	1	110,711	-	178,781	1		9,537,950	42	8,339,907	36	9,186,351	38
Non-current financial assets at amortised cost	189,548	1	214,057	1	180,765	1	Non-current liabilities :						
Property, plant and equipment	3,693,174	16	4,565,191	20	4,210,633	17	Bonds payable	-	-	-	-	130,701	1
Right-of-use assets	516,774	2	650,114	3	650,339	3	Non-current portion of non-current borrowings	420,000	2	375,000	2	575,000	3
Investment property, net	548,686	3	-	-	-	-	Non-current lease liabilities	290,809	1	287,479	1	287,591	1
Intangible assets	1,589,748	7	1,672,821	7	1,118,875	5	Net defined benefit liability, non-current	53,366	-	55,398	-	84,932	-
Deferred tax assets	237,858	1	234,268	1	501,710	2	Other non-current liabilities	164,663	1	204,031	1	348,006	1
Other non-current assets, others	45,971	-	41,230	-	420,845	1		928,838	4	921,908	4	1,426,230	6
	7,007,193	31	7,541,012	32	7,261,948	30	Total liabilities	10,466,788	46	9,261,815	40	10,612,581	44
Total assets	\$22,878,943	100	\$23,244,516	100	\$23,989,515	100	Equity :						
							Ordinary share	5,417,185	24	5,417,185	23	5,417,185	22
							Capital surplus	2,348,207	10	2,614,277	11	2,608,527	11
							Retained earnings :						
							Legal reserve	1,346,461	7	1,321,375	6	1,321,375	6
							Special reserve	87,993	-	267,982	1	267,982	1
							Unappropriated retained earnings	56,045	-	382,082	1	461,081	2
								1,490,499	7	1,971,439	8	2,050,438	9
							Other equity interest	(580,092)	(3)	(87,993)	-	(38,962)	-
							Total equity attributable to owners of parent	8,675,799	38	9,914,908	42	10,037,188	42
							Non-controlling interests	3,736,356	16	4,067,793	18	3,339,746	14
							Total equity	12,412,155	54	13,982,701	60	13,376,934	56
							Total liabilities and equity	\$ 22,878,943	100	\$ 23,244,516	100	\$ 23,989,515	100

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income

For the three-month periods from April 1 to June 30, 2025 and 2024, and the six-month periods from January 1 to June 30, 2025 and 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	2025/4/1~2025/6/30		2024/4/1~2024/6/30		2025/1/1~2025/6/30		2024/1/1~2024/6/30	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue	\$ 5,694,008	100	5,684,460	100	10,218,166	100	10,864,660	100
Operating costs	4,825,669	85	4,759,784	84	8,519,423	83	8,932,099	82
Gross profit from operations	868,339	15	924,676	16	1,698,743	17	1,932,561	18
Operating expenses :								
Selling expenses	257,666	5	271,682	5	525,145	5	532,673	5
Administrative expenses	239,668	4	290,473	5	473,149	5	533,165	5
Research and development expenses	472,544	8	461,461	8	910,761	9	859,936	8
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	27,342	-	(4,066)	-	27,286	-	4,608	-
Total operating expenses	997,220	17	1,019,550	18	1,936,341	19	1,930,382	18
Net operating income (loss)	(128,881)	(2)	(94,874)	(2)	(237,598)	(2)	2,179	-
Non-operating income and expenses :								
Other income	11,125	-	11,551	-	36,073	-	45,322	-
Other gains and losses	(46,119)	(1)	457,941	8	(86,405)	(1)	450,010	4
Finance costs	(32,578)	-	(43,076)	(1)	(61,218)	-	(75,847)	-
Interest income	21,704	-	35,915	1	42,890	-	48,793	-
Total non-operating income and expenses	(45,868)	(1)	462,331	8	(68,660)	(1)	468,278	4
Profit (loss) before tax	(174,749)	(3)	367,457	6	(306,258)	(3)	470,457	4
Tax expenses	(35,665)	(1)	75,762	1	(59,381)	(1)	99,003	1
Profit (loss)	(139,084)	(2)	291,695	5	(246,877)	(2)	371,454	3
Other comprehensive income:								
Components of other comprehensive income that will not be reclassified to profit or loss								
Gains (losses) on remeasurements of defined benefit plans	461	-	-	-	874	-	648	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(18,019)	-	(12,550)	-	(14,592)	-	(12,550)	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	(83)	-	-	-
Components of other comprehensive income that will not be reclassified to profit or loss	(17,558)	-	(12,550)	-	(13,801)	-	(11,902)	-
Components of other comprehensive income that will be reclassified to profit or loss								
Exchange differences on translation	(674,837)	(12)	66,982	1	(583,168)	(6)	294,804	3
Total Components of other comprehensive income that will be reclassified to profit or loss	(674,837)	(12)	66,982	1	(583,168)	(6)	294,804	3
Other comprehensive income, net	(692,395)	(12)	54,432	1	(596,969)	(6)	282,902	3
Total comprehensive income	\$ (831,479)	(14)	346,127	6	(843,846)	(8)	654,356	6
Profit (loss), attributable to:								
Profit (loss), attributable to owners of parent	\$ (104,709)	(1)	262,948	4	(210,747)	(2)	329,456	3
Profit (loss), attributable to non-controlling interests	(34,375)	(1)	28,747	1	(36,130)	-	41,998	-
	\$ (139,084)	(2)	291,695	5	(246,877)	(2)	371,454	3
Comprehensive income attributable to:								
Comprehensive income, attributable to owners of parent	\$ (676,626)	(12)	307,786	5	(702,180)	(7)	558,880	5
Comprehensive income, attributable to non-controlling interests	(154,853)	(2)	38,341	1	(141,666)	(1)	95,476	1
	\$ (831,479)	(14)	346,127	6	(843,846)	(8)	654,356	6
Earnings per share(in New Taiwan dollars)								
Basic earnings per share	\$ (0.19)		0.49		(0.39)		0.61	
Diluted earnings per share	\$ (0.19)		0.48		(0.39)		0.61	

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the six-month periods from January 1 to June 30, 2025 and 2024
(Expressed in thousands of New Taiwan dollars)

	<u>2025/1/1~2025/6/30</u>	<u>2024/1/1~2024/6/30</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ (306,258)	470,457
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expenses	265,442	254,306
Amortization expenses	122,348	106,104
Expected credit loss	27,286	4,608
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(4,054)	7,312
Interest expense	61,218	75,847
Interest income	(42,890)	(48,793)
Dividend income	(85)	-
Loss (gain) on disposal of property, plant and equipment	(3,825)	585
Provision for inventory obsolescence and devaluation loss	3,927	82,132
Gain on disposal of non-current assets classified as held for sale	-	(466,786)
Other adjustments to reconcile profit (loss)	4,612	-
Total adjustments to reconcile profit (loss)	<u>433,979</u>	<u>15,315</u>
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	177,815	1,374,707
Financial assets mandatorily at fair value through profit or loss	290	30,309
Inventories	354,983	583,095
Other current assets	(68,782)	(54,879)
Financial liabilities held for trading	(23,758)	(778)
Accounts payable (including related parties)	262,934	(749,448)
Other payable to related parties	529	3,100
Other current liabilities	(752,367)	(701,307)
Net defined benefit liability	(1,241)	(19,663)
Other non-current liabilities	(17,402)	2,068
Total changes in operating assets and liabilities	<u>(66,999)</u>	<u>467,204</u>
Total adjustments	<u>366,980</u>	<u>482,519</u>
Cash flows generated from (used in) operations	60,722	952,976
Interest received	43,191	48,478
Dividends received	85	-
Interest paid	(60,578)	(75,384)
Income taxes paid	(19,043)	(150,812)
Net cash flows used in operating activities	<u>24,377</u>	<u>775,258</u>
Cash flows from (used in) investing activities		
Acquisition of financial assets at amortised cost	-	(3,258)
Proceeds from repayments of financial assets at amortised cost	60,963	41,000
Acquisition of financial asset at fair value through profit or loss	(49,131)	-
Proceeds from disposal of non-current assets classified as held for sale	-	536,388
Acquisition of property, plant and equipment	(58,805)	(61,312)
Proceeds from disposal of property, plant and equipment	13,357	16,297
Decrease (Increase) in refundable deposits	18,364	(28,167)
Acquisition of intangible assets	(39,831)	(38,800)
Acquisition of use-of-right assets	(43,370)	-
Increase in other non-current assets	(986)	(55,025)
Net cash flows from (used in) investing activities	<u>(99,439)</u>	<u>407,123</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	4,254,568	5,159,841
Decrease in short-term loans	(2,827,860)	(4,102,234)
Proceeds from long-term borrowings	125,000	25,000
Repayments of long-term borrowings	-	(150,000)
Decrease in guarantee deposits received	(5)	(164)
Payments of lease liabilities	(18,901)	(22,516)
Due to donation assets received	11	10
Net cash flows from (used in) financing activities	<u>1,532,813</u>	<u>909,937</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(247,169)</u>	<u>131,305</u>
Net decrease in cash and cash equivalents	1,210,582	2,223,623
Cash and cash equivalents at beginning of period	3,957,279	3,200,675
Cash and cash equivalents at end of period	<u>\$ 5,167,861</u>	<u>5,424,298</u>