

**D-LINK CORPORATION  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

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

The independent auditors' review 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' review report and consolidated financial statements, the Chinese version shall prevail.

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8~10
(4) Summary of material accounting policies	10~14
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	15
(6) Explanation of significant accounts	15~57
(7) Related-party transactions	58~62
(8) Pledged assets	62
(9) Significant contingent liabilities and unrecognized commitments	62~63
(10) Losses Due to Major Disasters	63
(11) Subsequent Events	63
(12) Other	63~64
(13) Other disclosures	
(a) Information on significant transactions	65~69
(b) Information on investees	70~73
(c) Information on investment in mainland China	73
(14) Segment information	74~75



# 安侯建業聯合會計師事務所

## KPMG

台北市110615信義路5段7號68樓(台北101大樓)  
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,  
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電 話 Tel + 886 2 8101 6666  
傳 真 Fax + 886 2 8101 6667  
網 址 Web [kpmg.com/tw](http://kpmg.com/tw)

3

## Independent Auditors' Review Report

To the Board of Directors  
D-Link Corporation:

### Introduction

We have reviewed the accompanying consolidated balance sheets of D-Link Corporation and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the 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 material 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 total assets amounting to \$3,714,390 thousand and \$4,675,598 thousand, constituting 24% and 28% of the consolidated total assets as of September 30, 2025 and 2024, respectively, total liabilities amounting to \$855,935 thousand and \$1,095,614 thousand, constituting 17% and 21% of the consolidated total liabilities as of September 30, 2025 and 2024, respectively, and total comprehensive income amounting to \$106,047 thousand, \$14,821 thousand, \$(188,066) thousand and \$404,780 thousand, constituting 122%, 76%, 37% and 110%, of the consolidated total comprehensive income for the three months and nine months ended September 30, 2025 and 2024, respectively.

## Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review reports of other auditors (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 D-Link Corporation and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## Other Matter

We did not review the financial statements of D-Link (Europe) Ltd. and D-Link Middle East FZE, subsidiaries of D-Link Corporation as of and for the nine months ended September 30, 2025 and 2024. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for D-Link (Europe) Ltd. and D-Link Middle East FZE, is based solely on the review reports of other auditors. The financial statements of D-Link (Europe) Ltd. and D-Link Middle East FZE reflect total assets amounting to \$2,686,896 thousand and \$3,033,839 thousand, constituting 17% and 18% of the consolidated total assets, respectively; as well as total operating revenues amounting to \$941,883 thousand, \$1,158,817 thousand, \$2,662,992 thousand and \$3,344,163 thousand, constituting 27%, 31%, 27% and 31% of the consolidated total operating revenues for 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 Mei, Yuan-Chen and Chang, Shu-Ying.

KPMG

Taipei, Taiwan (Republic of China)  
November 12, 2025

## Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and 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 independent auditors' review 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' review report and consolidated financial statements, the Chinese version shall prevail.

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

## D-LINK CORPORATION AND SUBSIDIARIES

## Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollar)

Assets	September 30, 2025		December 31, 2024		September 30, 2024		Liabilities and Equity	September 30, 2025		December 31, 2024		September 30, 2024			
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%		
<b>Current assets:</b>															
1100 Cash and cash equivalents (notes 6(a) and (aa))	\$ 3,033,941	19	4,416,806	27	3,878,990	23	2120	Financial liabilities at fair value through profit or loss — current (notes 6(b) and (aa))	\$ 8,063	-	4,402	-	29,849	-	
1110 Financial assets at fair value through profit or loss — current (notes 6(b) and (aa))	784,841	5	767,446	5	447,728	3	2130	Current contract liabilities (note 6(w))	147,509	1	141,379	1	135,560	1	
1150 Notes receivable, net (notes 6(c) and (aa))	2,861	-	11,748	-	2,394	-	2150	Notes payable (note 6(aa))	-	-	575	-	15	-	
1170 Accounts receivable, net (notes 6(c) and (aa))	2,945,940	19	2,880,372	17	3,272,403	20	2170	Accounts payable (note 6(aa))	1,914,984	12	1,833,852	11	1,821,597	11	
1180 Accounts receivable due from related parties, net (notes 6(c), (aa) and 7)	905	-	431	-	953	-	2180	Accounts payable to related parties (notes 6(aa) and 7)	223,141	1	183,654	1	184,210	1	
1197 Finance lease payment receivable (notes 6(d) and (aa))	39,998	-	41,045	-	39,006	-	2200	Other payables (notes 6(n), (aa) and 7)	1,029,743	7	994,929	6	954,296	6	
1200 Other receivables (notes 6(c), (aa) and 7)	45,549	-	44,425	-	31,098	-	2230	Current tax liabilities	35,939	-	19,979	-	26,364	-	
1220 Current tax assets	55,749	-	29,587	-	33,658	-	2250	Current provisions (note 6(p))	133,927	1	134,803	1	133,056	1	
130X Inventories (note 6(e))	3,077,743	20	2,543,978	16	2,813,224	17	2320	Current lease liabilities (notes 6(o) and (aa))	128,681	1	166,040	1	177,098	1	
1421 Prepayment for purchase (note 7)	39,484	-	57,813	-	100,253	1	2365	Current portion of long-term liabilities (notes 6(m) and (aa))	48,000	-	87,032	-	105,570	1	
1470 Other current assets (notes 6(aa), 7 and 8)	382,967	3	761,732	5	1,189,489	7	2399	Current refund liability (note 6(q))	365,322	2	418,961	3	493,320	3	
	<u>10,409,978</u>	<u>66</u>	<u>11,555,383</u>	<u>70</u>	<u>11,809,196</u>	<u>71</u>		Other current liabilities	<u>71,656</u>	<u>1</u>	<u>87,071</u>	<u>1</u>	<u>83,310</u>	<u>-</u>	
									<u>4,106,965</u>	<u>26</u>	<u>4,072,677</u>	<u>25</u>	<u>4,144,245</u>	<u>25</u>	
<b>Non-current assets:</b>															
1510 Financial assets at fair value through profit or loss — non-current (notes 6(b) and (aa))	1,159,241	7	532,685	3	467,000	3	2540	Non-Current liabilities:	Long-term borrowings (notes 6(m) and (aa))	405,849	2	441,849	3	453,849	3
1517 Financial assets at fair value through other comprehensive income — non-current (notes 6(b) and (aa))	164,847	1	179,057	1	122,451	1	2570	Deferred tax liabilities	87,092	1	92,656	1	143,415	1	
1550 Investments accounted for using equity method (note 6(f))	-	-	-	-	2,180	-	2580	Non-current lease liabilities (notes 6(o) and (aa))	147,368	1	177,553	1	213,967	1	
1600 Property, plant and equipment (notes 6(h), 7 and 8)	2,267,718	15	2,310,350	14	2,326,749	14	2600	Other non-current liabilities (notes 6(f) and (aa))	212,076	1	205,675	1	231,895	1	
1755 Right-of-use assets (note 6(i))	220,410	1	254,382	2	294,037	2	3110		852,385	5	917,733	6	1,043,126	6	
1760 Investment property, net (notes 6(j) and (aa))	37,390	-	37,687	-	37,786	-	3200		<u>4,959,350</u>	<u>31</u>	<u>4,990,410</u>	<u>31</u>	<u>5,187,371</u>	<u>31</u>	
1780 Intangible assets (notes 6(k) and 7)	801,564	5	816,944	5	801,350	5	3310	<b>Total liabilities</b>	Ordinary shares	6,022,721	38	6,024,275	37	6,024,515	36
1840 Deferred tax assets	494,911	3	487,252	3	532,395	3	3320	Capital surplus	1,349,830	9	1,364,834	8	1,364,833	8	
1990 Other non-current assets (notes 6(aa) and 8)	246,028	2	276,849	2	277,454	1	3350	Retained earnings:	Legal reserve	2,203,730	14	2,198,957	13	2,198,957	13
194D Long-term lease payment receivable, net (notes 6(d) and (aa))	6,912	-	39,976	-	48,729	-	3400	Special reserve	864,207	6	864,207	5	864,207	5	
	<u>5,399,021</u>	<u>34</u>	<u>4,935,182</u>	<u>30</u>	<u>4,910,131</u>	<u>29</u>	3500	(Accumulated deficit) unappropriated retained earnings	(288,870)	(2)	47,728	1	146,366	1	
							3400	Other equity interest	2,779,067	18	3,110,892	19	3,209,530	19	
<b>Total assets</b>	<b>\$ 15,808,999</b>	<b>100</b>	<b>16,490,565</b>	<b>100</b>	<b>16,719,327</b>	<b>100</b>	3500	Treasury shares	(1,664,587)	(11)	(1,446,630)	(9)	(1,501,902)	(9)	
							36XX	Total equity attributable to owners of parent	(82,823)	(1)	(82,823)	(1)	(82,823)	-	
								<b>Non-controlling interests</b> (notes 6(g) and (u))	8,404,208	53	8,970,548	54	9,014,153	54	
								<b>Total equity</b>	2,445,441	16	2,529,607	15	2,517,803	15	
								<b>Total liabilities and equity</b>	10,849,649	69	11,500,155	69	11,531,956	69	
									<b>\$ 15,808,999</b>	<b>100</b>	<b>16,490,565</b>	<b>100</b>	<b>16,719,327</b>	<b>100</b>	

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

**D-LINK CORPORATION AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income****For the three months and nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar, 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	<b>Net operating revenues (notes 6(w) and 7)</b>	\$ 3,444,250	100	3,680,487	100	9,931,578	100	10,964,046	100
5000	<b>Operating costs (notes 6(e), (s) and 7)</b>	2,554,157	74	2,558,738	69	7,451,070	75	8,126,781	74
	<b>Gross profit from operations</b>	<u>890,093</u>	<u>26</u>	<u>1,121,749</u>	<u>31</u>	<u>2,480,508</u>	<u>25</u>	<u>2,837,265</u>	<u>26</u>
	<b>Operating expenses: (notes 6(c), (o), (s), (x) and 7)</b>								
6100	Selling expenses	487,744	14	544,150	15	1,454,573	14	1,642,972	15
6200	Administrative expenses	242,658	7	215,684	6	655,115	7	663,726	6
6300	Research and development expenses	155,732	5	184,438	5	480,044	5	545,221	5
6450	Expected credit losses (note 6(c))	5,123	-	5,860	-	14,992	-	9,482	-
		<u>891,257</u>	<u>26</u>	<u>950,132</u>	<u>26</u>	<u>2,604,724</u>	<u>26</u>	<u>2,861,401</u>	<u>26</u>
	<b>Net operating (loss) income</b>	<u>(1,164)</u>	<u>-</u>	<u>171,617</u>	<u>5</u>	<u>(124,216)</u>	<u>(1)</u>	<u>(24,136)</u>	<u>-</u>
	<b>Non-operating income and expenses:</b>								
7100	Interest income (note 6(y))	18,815	1	34,199	1	85,878	1	94,251	1
7010	Other income (notes 6(y) and 7)	16,650	-	3,199	-	22,452	-	8,981	-
7020	Other gains and losses (notes 6(y), (aa) and 7)	113,897	3	68,102	1	7,031	-	359,254	3
7050	Finance costs (notes 6(o) and (y))	(6,190)	-	(11,042)	-	(19,149)	-	(27,162)	-
7060	Share of loss of associates accounted for using equity method (note 6(f))	(2,454)	-	(4,431)	-	(10,042)	-	(12,763)	-
		<u>140,718</u>	<u>4</u>	<u>90,027</u>	<u>2</u>	<u>86,170</u>	<u>1</u>	<u>422,561</u>	<u>4</u>
	<b>Profit (loss) before tax</b>	<u>139,554</u>	<u>4</u>	<u>261,644</u>	<u>7</u>	<u>(38,046)</u>	<u>-</u>	<u>398,425</u>	<u>4</u>
7950	<b>Less: Income tax expenses (note 6(t))</b>	<u>67,780</u>	<u>2</u>	<u>78,912</u>	<u>2</u>	<u>145,788</u>	<u>2</u>	<u>185,665</u>	<u>2</u>
	<b>Net profit (loss)</b>	<u>71,774</u>	<u>2</u>	<u>182,732</u>	<u>5</u>	<u>(183,834)</u>	<u>(2)</u>	<u>212,760</u>	<u>2</u>
8300	<b>Other comprehensive income (loss):</b>								
8310	<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss (note 6(u))</b>								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	8,344	-	174	-	(15,055)	-	793	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
		<u>8,344</u>	<u>-</u>	<u>174</u>	<u>-</u>	<u>(15,055)</u>	<u>-</u>	<u>793</u>	<u>-</u>
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss (notes 6(u) and (z))</b>								
8361	Exchange differences on translation of foreign financial statements	13,389	-	(200,643)	(5)	(343,860)	(3)	203,001	2
8367	Unrealized gains from investments in debt instruments measured at fair value through other comprehensive income	1,274	-	-	-	1,237	-	-	-
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss (note 6(f))	390	-	(436)	-	(221)	-	425	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(t))	(8,494)	-	37,579	1	32,880	-	(49,518)	(1)
		<u>6,559</u>	<u>-</u>	<u>(163,500)</u>	<u>(4)</u>	<u>(309,964)</u>	<u>(3)</u>	<u>153,908</u>	<u>1</u>
		<u>14,903</u>	<u>-</u>	<u>(163,326)</u>	<u>(4)</u>	<u>(325,019)</u>	<u>(3)</u>	<u>154,701</u>	<u>1</u>
8300	<b>Other comprehensive income (loss), net</b>	<u>\$ 86,677</u>	<u>2</u>	<u>19,406</u>	<u>1</u>	<u>(508,853)</u>	<u>(5)</u>	<u>367,461</u>	<u>3</u>
	<b>Total comprehensive income (loss)</b>								
	<b>Net profit (loss) attributable to:</b>								
8610	Owners of parent	\$ 13,934	-	177,524	5	(288,870)	(3)	146,366	1
8620	Non-controlling interests	57,840	2	5,208	-	105,036	1	66,394	1
		<u>\$ 71,774</u>	<u>2</u>	<u>182,732</u>	<u>5</u>	<u>(183,834)</u>	<u>(2)</u>	<u>212,760</u>	<u>2</u>
	<b>Comprehensive income (loss) attributable to:</b>								
8710	Owners of parent	\$ 31,787	1	40,542	1	(514,739)	(5)	281,610	2
8720	Non-controlling interests	54,890	1	(21,136)	-	5,886	-	85,851	1
		<u>\$ 86,677</u>	<u>2</u>	<u>19,406</u>	<u>1</u>	<u>(508,853)</u>	<u>(5)</u>	<u>367,461</u>	<u>3</u>
	<b>Basic earnings (loss) per share (New Taiwan dollars) (note 6(v))</b>	<u>\$ 0.02</u>		<u>0.30</u>		<u>(0.48)</u>		<u>0.24</u>	
	<b>Diluted earnings (loss) per share (New Taiwan dollars) (note 6(v))</b>	<u>\$ 0.02</u>		<u>0.30</u>		<u>(0.48)</u>		<u>0.24</u>	

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

## D-LINK CORPORATION AND SUBSIDIARIES

## Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollar)

	Equity attributable to owners of parent											Non-controlling interests	Total equity		
	Retained earnings					Total other equity interest									
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	(losses) on financial assets measured at fair value through other comprehensive income	Unearned Stock-Based Employee Compensation	Treasury shares	Total equity attributable to owners of parent					
<b>Balance at January 1, 2024</b>	\$ 6,028,365	1,364,335	2,144,259	693,165	546,976	(1,557,495)	(17,004)	(40,110)	(82,823)	9,079,668	2,516,055	11,595,723			
Net profit for the nine months ended September 30, 2024	-	-	-	-	146,366	-	-	-	-	146,366	66,394	212,760			
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	134,451	793	-	-	135,244	19,457	154,701			
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	146,366	134,451	793	-	-	281,610	85,851	367,461			
Appropriation and distribution of retained earnings:															
Legal reserve appropriated	-	-	54,698	-	(54,698)	-	-	-	-	-	-	-	-		
Special reserve appropriated	-	-	-	171,042	(171,042)	-	-	-	-	-	-	-	-		
Cash dividends of ordinary shares	-	-	-	-	(321,236)	-	-	-	-	(321,236)	-	(321,236)			
Adjustments of capital surplus for the Company's cash dividends distribute to subsidiaries	-	1,210	-	-	-	-	-	-	-	1,210	-	1,210			
Disposal of the subsidiary	-	-	-	-	-	(48,373)	-	-	-	(48,373)	-	(48,373)			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(84,103)	(84,103)			
Retirement of expired employee restricted shares	(3,850)	3,850	-	-	-	-	-	-	-	-	-	-			
Compensation cost of employee restricted shares	-	(4,562)	-	-	-	-	-	25,836	-	21,274	-	21,274			
<b>Balance at September 30, 2024</b>	\$ 6,024,515	1,364,833	2,198,957	864,207	146,366	(1,471,417)	(16,211)	(14,274)	(82,823)	9,014,153	2,517,803	11,531,956			
<b>Balance at January 1, 2025</b>	\$ 6,024,275	1,364,834	2,198,957	864,207	47,728	(1,425,786)	(9,387)	(11,457)	(82,823)	8,970,548	2,529,607	11,500,155			
Net (loss) profit for the nine months ended September 30, 2025	-	-	-	-	(288,870)	-	-	-	-	(288,870)	105,036	(183,834)			
Other comprehensive loss for the nine months ended September 30, 2025	-	-	-	-	-	(211,328)	(14,541)	-	-	(225,869)	(99,150)	(325,019)			
Total comprehensive (loss) income for the nine months ended September 30, 2025	-	-	-	-	(288,870)	(211,328)	(14,541)	-	-	(514,739)	5,886	(508,853)			
Appropriation and distribution of retained earnings:															
Legal reserve appropriated	-	-	4,773	-	(4,773)	-	-	-	-	-	-	-			
Cash dividends of ordinary shares	-	-	-	-	(42,955)	-	-	-	-	(42,955)	-	(42,955)			
Cash distribution from capital surplus	-	(17,132)	-	-	-	-	-	-	-	(17,132)	-	(17,132)			
Changes in equities of the Company's ownership interests in its subsidiaries	-	604	-	-	-	-	-	-	-	604	848	1,452			
Adjustments of capital surplus for the Company's cash dividends distribute to subsidiaries	-	226	-	-	-	-	-	-	-	226	-	226			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(90,900)	(90,900)			
Retirement of expired employee restricted shares	(1,554)	1,554	-	-	-	-	-	-	-	-	-	-			
Compensation cost of employee restricted shares	-	(256)	-	-	-	-	-	7,912	-	7,656	-	7,656			
<b>Balance at September 30, 2025</b>	\$ 6,022,721	1,349,830	2,203,730	864,207	(288,870)	(1,637,114)	(23,928)	(3,545)	(82,823)	8,404,208	2,445,441	10,849,649			

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

**D-LINK CORPORATION AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the nine months ended September 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollar)**

	<b>For the nine months ended September 30</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
(Loss) profit before tax	\$ (38,046)	398,425
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	202,860	230,755
Amortization expense	42,991	33,257
Expected credit loss	14,992	9,482
Net gain on financial assets or liabilities at fair value through profit or loss	(74,138)	(204,767)
Interest expense	19,149	27,162
Interest income	(85,878)	(94,251)
Dividend income	(17,156)	(1,885)
Compensation cost of share-based payment transaction	7,656	21,274
Share of loss of associates accounted for using equity method	10,042	12,763
Gain on disposal of investments	(53,751)	(82,931)
Reversal of write-down loss of inventories to net realizable value	(9,699)	(372,311)
Other	191,469	27,546
<b>Total adjustments to reconcile profit (loss)</b>	<b>248,537</b>	<b>(393,906)</b>
<b>Changes in operating assets and liabilities:</b>		
Decrease in financial assets at fair value through profit or loss	-	14,969
Decrease (increase) in notes receivable	8,887	(366)
Increase in accounts receivable	(77,400)	(188,260)
(Increase) decrease in accounts receivable due from related parties	(463)	1,724
Increase in other receivables	(293)	(1,600)
Decrease in lease payment receivable	29,125	27,995
(Increase) decrease in inventories	(545,738)	835,840
Decrease (increase) in prepayment for purchase	18,329	(55,200)
Decrease (increase) in other current assets	373,801	(485,028)
(Increase) decrease in other non-current assets	(12,888)	25,752
<b>Total changes in operating assets</b>	<b>(206,640)</b>	<b>175,826</b>
Increase (decrease) in current contract liabilities	6,130	(9,603)
Decrease in notes payable	(575)	(61)
Increase in accounts payable	81,132	355,984
Increase in accounts payable to related parties	39,487	63,851
Increase (decrease) in other payables	34,814	(121,554)
Decrease in current provisions	(41,829)	(10,103)
(Decrease) increase in current refund liabilities	(53,639)	29,681
Decrease in other current liabilities	(15,393)	(16,504)
Increase (decrease) in other non-current liabilities	14,602	(12,098)
<b>Total changes in operating liabilities</b>	<b>64,729</b>	<b>279,593</b>
<b>Total changes in operating assets and liabilities</b>	<b>(141,911)</b>	<b>455,419</b>
<b>Total adjustments</b>	<b>106,626</b>	<b>61,513</b>
Cash flows from operations	68,580	459,938
Interest received	85,878	94,251
Dividends received	16,325	1,885
Interest paid	(19,149)	(27,162)
Income taxes paid	(127,982)	(139,032)
<b>Net cash flows from operating activities</b>	<b>23,652</b>	<b>389,880</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through profit or loss	(2,300,437)	(100,000)
Proceeds from disposal of financial assets at fair value through profit or loss	1,710,701	-
Acquisition of property, plant and equipment	(62,200)	(40,150)
Proceeds from disposal of property, plant and equipment	1,292	1,673
Decrease in refundable deposits	43,529	789
Acquisition of intangible assets	(46,649)	(38,967)
Other investing activities	4,191	2,634
<b>Net cash flows used in investing activities</b>	<b>(649,573)</b>	<b>(174,021)</b>
<b>Cash flows from financing activities:</b>		
(Decrease) increase in guarantee deposits received	(18,464)	12,058
Payment of lease liabilities	(168,827)	(153,882)
Decrease in long-term borrowings	(75,032)	(91,613)
Cash dividends paid	(133,629)	(404,129)
Cash distribution from capital surplus	(17,132)	-
<b>Net cash flows used in financing activities</b>	<b>(413,084)</b>	<b>(637,566)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(343,860)</b>	<b>203,001</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,382,865)</b>	<b>(218,706)</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>4,416,806</b>	<b>4,097,696</b>
<b>Cash and cash equivalents at the end of period</b>	<b>\$ 3,033,941</b>	<b>3,878,990</b>

See accompanying notes to consolidated financial statements.

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

**D-LINK CORPORATION AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**September 30, 2025 and 2024**

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

**(1) Company history**

D-Link Corporation (the “Company”) was incorporated on June 20, 1987 under the approval of Ministry of Economic Affairs, Republic of China (“ROC”). The address of its registered office is No. 289, Xinhu 3rd Rd., Neihu Dist., Taipei City 114, Taiwan. The main operating activities of the Company and its subsidiaries (collectively referred as the “Consolidated Company”) include the research, development, and sale of computer network systems, wireless LAN products, and spare parts for integrated circuits.

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

The accompanying consolidated financial statements were approved and authorized for release by the Board of Directors on November 12, 2025.

**(3) New standards, amendments and interpretations adopted:**

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

The Consolidated Company 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”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

(b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Consolidated Company 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
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

**D-LINK CORPORATION 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 Consolidated Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
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"> <li>● 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.</li> <li>● 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.</li> </ul>	<p style="text-align: center;">January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will align with IFRS 18 in fiscal year 2028. Companies that need to adopt the new standard earlier may do so with the endorsement of the FSC.</p>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
	<ul style="list-style-type: none"> <li>● 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.</li> </ul>	

The Consolidated Company 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 Consolidated Company completes its evaluation.

The Consolidated Company 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

**(4) Summary of material accounting policies:**

The material accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

**(a) Statement of Compliance**

These consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to as "the Regulations") 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 IFRS, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except for the 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.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(b) Basis of consolidation**

**(i) Principle of preparation of the consolidated financial statements**

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Company. The Company ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Consolidated Company attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Consolidated Company prepares consolidated financial statements using uniform accounting policies for transactions and other events in similar circumstances.

Changes in the Consolidated Company’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Consolidated Company will attribute it to the owners of the parent.

**(ii) List of subsidiaries in the consolidated financial statements**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	D-Link Holding Company Ltd. (D-Link Holding)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Japan K.K. (D-Link Japan)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Investment Pte. Ltd. (D-Link Investment)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link (Europe) Ltd. (D-Link Europe)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	
The Company	Cameo Communications, Inc. (Cameo)	Manufacturing, sales, research and development	41.58 %	41.58 %	41.58 %	
The Company	D-Link Taiwan Investment Co., Ltd. (D-Link Taiwan Investment)	Investment company	100.00 %	100.00 %	100.00 %	Yeo-Tai Investment Inc. was renamed to D-Link Taiwan Investment Co., Ltd. on May 3, 2024.
The Company	D-Link Latin America Company Ltd. (D-Link L.A.)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Systems, Inc. (D-Link Systems)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Systems	D-Link Canada, Inc. (D-Link Canada)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Australia Pty Ltd. (D-Link Australia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company	D-Link Middle East FZE (D-Link ME)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	D-Link Mediterraneo SRL (D-Link MED)	Sales and after-sales service	100.00 %	- %	- %	D-Link Europe conducted a capital reduction of its 100% owned subsidiary, D-Link MED, to offset accumulated losses. It also waives its subscription rights to the newly issued shares. The Company subsequently acquired 100% of D-Link MED's equity interests through capital injection and completed the relevant registration on September 26, 2025. Note 1
The Company and D-Link Holding	D-Link Sudamerica SpA (D-Link Sudamerica)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link Holding	D-Link Brazil LTDA (D-Link Brazil)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link Holding	D-Link International Pte. Ltd. (D-Link International)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	D-Link Holding transferred 0.64% of its shareholding in D-Link International to the Company in October 2024. Note 1
The Company and D-Link International	PT DLink System Indonesia (D-Link Indonesia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	D-Link Indonesia was established with capital injection on April 17, 2024. Note 1
The Company and D-Link International	D-Link Peru S.A. (D-Link Peru)	Sales and after-sales service	100.00 %	- %	- %	The Company and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025. Note 1
D-Link International	D-Link Korea Limited (D-Link Korea)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Trade M S.R.L. (D-Link Moldova)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Capital Investment Co., Ltd. (D-Link Capital Investment)	Investment Company	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Malaysia SDN. BHD (D-Link Malaysia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Service Lithuania, UAB (D-Link Lithuania)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link International	D-Link Service (Kazakhstan) (D-Link Kazakhstan)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	D-Link International acquired 100% of equity interest in D-Link Kazakhstan from D-Link Lithuania in February 2024. Note 1
D-Link International	D-Link (Shanghai) Co., Ltd (D-Link Shanghai)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	D-Link International acquired 100% of equity interest in D-Link Shanghai from D-Link Shiang-Hai (Cayman) in January 2024. Note 1
D-Link International	Netpro (Shanghai) Co., Ltd (Netpro)	Research, development and trading	100.00 %	100.00 %	100.00 %	D-Link International acquired 100% of equity interests in Netpro from D-Link Shiang-Hai (Cayman) in January 2024. Note 1
D-Link Lithuania	D-Link Service (Ukraine) (D-Link Ukraine)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Holding	D-Link Shiang-Hai (Cayman) Inc. (D-Link Shiang-Hai (Cayman))	Investment company	- %	100.00 %	100.00 %	Liquidation completed in March 2025.
D-Link Holding	D-Link Holding Mauritius Inc. (D-Link Mauritius)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
D-Link Holding	OOO D-Link Russia (D-Link Russia)	After-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Investment	OOO D-Link Trade (D-Link Trade)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1

(Continued)

## D-LINK CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
D-Link Holding	Success Stone Overseas Corp. (Success Stone)	Investment company	100.00 %	100.00 %	100.00 %	Note 1
D-Link Mauritius	D-Link India Ltd. (D-Link India)	Sales and after-sales service	51.02 %	51.02 %	51.02 %	
D-Link Mauritius and D-Link India	TeamF1 Networks Private Limited (TeamF1 India)	Research and development	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link (Holdings) Ltd. and its subsidiary D-Link (UK) Ltd. (D-Link UK)	Investment company, sales and after-sales service	100.00 %	100.00 %	100.00 %	In liquidation process. Note 1
D-Link Europe	D-Link France SARL (D-Link France)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link AB	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link Iberia SL (D-Link Iberia)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link MED	Sales and after-sales service	- %	100.00 %	100.00 %	D-Link Europe conducted a capital reduction of its 100% owed subsidiary, D-Link MED, to offset accumulated losses. It also waives its subscription rights to the newly issued shares. The Company subsequently acquired 100% of D-Link MED's equity interests through capital injection and completed the relevant registration on September 26, 2025. Note 1
D-Link Europe	D-Link (Netherlands) BV (D-Link Netherlands)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
The Company and D-Link Europe	D-Link (Deutschland) GmbH (D-Link Deutschland)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link Polska Sp. Z.o.o. (D-Link Polska)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link (Magyarorszag) Kft (D-Link Magyarorszag)	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Europe	D-Link s.r.o	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link MED	D-Link Adria d.o.o	Sales and after-sales service	- %	- %	100.00 %	Liquidation completed in December 2024.
D-Link Sudamerica and D-Link L.A.	D-Link Peru	Sales and after-sales service	- %	100.00 %	100.00 %	The Company and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025. Note 1
D-Link Sudamerica	D-Link de Colombia S.A.S	Sales and after-sales service	100.00 %	100.00 %	100.00 %	Note 1
D-Link Sudamerica	D-Link Guatemala S.A.	Sales and after-sales service	99.00 %	99.00 %	99.00 %	In liquidation process. Note 1
Cameo	Qianjin Investment Co., Ltd.(Qianjin Investment)	Investment company	100.00 %	100.00 %	100.00 %	
Cameo	Huge Castle Ltd (Huge Castle)	Investment company	100.00 %	100.00 %	100.00 %	
Huge Castle	Perfect Choice Co., Ltd. (PC)	Investment company and trading	- %	100.00 %	100.00 %	Liquidation completed in May 2025.
Huge Castle	Luis Jo'se Investment Inc. (Luis Jo'se)	Investment company	- %	100.00 %	100.00 %	Liquidation completed in August 2025.
Huge Castle	Suzhou Soarnex Technology Co., Ltd (Suzhou Soarnex )	Software development and software services on computer information systems	100.00 %	- %	- %	Huge Castle acquired 100% of equity interests in Suzhou Soarnex from Luis Jo'se in April 2025. Note 1
Luis Jo'se	Suzhou Soarnex	Software development and software services on computer information systems	- %	100.00 %	100.00 %	Huge Castle acquired 100% of equity interests in Suzhou Soarnex from Luis Jo'se in April 2025. Note 1

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Note 1: It is a non-major subsidiary, and its financial statements were not reviewed by independent auditors.

- (iii) Subsidiaries excluded from the consolidated financial statements: None.
- (c) Employee benefits
  - (i) Defined contribution plans
 

Obligations for contributions to defined contribution pension plans are employee benefit expense as the related service is provided.
  - (ii) Defined benefit plans
 

The pension cost for an interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.
  - (iii) Short-term employee benefits
 

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Consolidated Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- (d) Income Taxes
 

The income tax expenses have been measured and disclosed in accordance with paragraph B12 of IFRSs 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period, and tax related to other comprehensive income should be recognized as other comprehensive income.

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.

In accordance with the laws of each country, the income tax of each entity should be declared individually. The amount of consolidated income tax should be the total amount of income tax of each entity.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(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.

In the preparation of the consolidated interim financial statements, the major source of significant accounting assumptions, judgements and estimation uncertainty are consistent with note 5 of the consolidated financial statement for the year ended December 31, 2024.

**(6) Explanation of significant accounts:**

(a) Cash and Cash Equivalents

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Cash on hand	\$ 4,900	2,632	6,820
Checking and saving accounts	2,509,606	2,976,578	2,368,040
Time deposit	508,435	1,348,432	1,469,800
Bills and bonds under reverse repurchase agreements	<u>11,000</u>	<u>89,164</u>	<u>34,330</u>
<b>Cash and Cash Equivalents</b>	<b>\$ 3,033,941</b>	<b>4,416,806</b>	<b>3,878,990</b>

Please refer to note 6(aa) for the disclosure of the exchange rate risk and sensitivity analysis of financial assets and liabilities of the Consolidated Company.

The Consolidated Company determines classification of time deposits based on the length of time between the original investment date and the maturity dates, as well as the purpose of short-term capital utilization. When it has a maturity of three months or less from the date of acquisition and it is held for the purpose of short-term cash commitments, a time deposit is qualified as a cash equivalent. Otherwise, it is classified as other current assets.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Financial Assets and Liabilities

(i) Details were as follows

	September 30, 2025	December 31, 2024	September 30, 2024
<b>Financial assets mandatorily measured at fair value through profit or loss - current</b>			
Beneficiary certificates	\$ 688,111	745,328	444,522
Domestic listed (OTC) stock	84,739	-	-
Cross currency swaps	11,007	15,868	2,399
Forward foreign exchange contracts	984	6,250	807
	<u>\$ 784,841</u>	<u>767,446</u>	<u>447,728</u>
<b>Financial liabilities at fair value through profit or loss - current</b>			
Cross currency swaps	\$ 4,065	3,223	20,803
Forward foreign exchange contracts	3,998	1,179	9,046
	<u>\$ 8,063</u>	<u>4,402</u>	<u>29,849</u>
<b>Financial assets mandatorily measured at fair value through profit or loss - non-current</b>			
Domestic listed (OTC) stock	<u>\$ 1,159,241</u>	<u>532,685</u>	<u>467,000</u>
<b>Financial assets at fair value through other comprehensive income - non-current</b>			
<b>Equity instruments :</b>			
Domestic listed (OTC) stock	\$ 56,482	72,558	15,500
Unlisted stock	7,109	6,481	6,952
<b>Debt instruments :</b>			
Fixed rate corporate bond	101,256	100,018	99,999
	<u>\$ 164,847</u>	<u>179,057</u>	<u>122,451</u>

1) On December 4, 2023, the Consolidated Company participated in 10,000 thousand shares of common stock of domestic listed (OTC) company - King House Co., Ltd. (King House) (formerly known as Ensure Global Corp. Ltd.) through a private placement, at an investment cost of \$72,000 thousand (\$7.2 per share). According to the Securities and Exchange Act, from the delivery date of January 19, 2024 to the maturity date of January 18, 2027, the common stock of this private placement shall not be sold within three years unless the circumstances of transferring in accordance with Article 43-8.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- 2) During the first three quarters of 2025, the Consolidated Company purchased 36,417 thousand common stocks of IBF Financial Holdings Co., Ltd. (IBF), a domestic listed (OTC) company, at an investment cost of \$500,041 thousand.
- 3) During the first three quarters of 2025, and the fourth quarter of 2024, the Consolidated Company purchased 787 thousand and 2,302 thousand common shares of S-Tech Corp. (S-Tech), a domestic listed (OTC) company, for \$19,411 thousand and \$72,477 thousand, respectively.
- 4) The Consolidated Company did not participate in cash capital increase plan of an unlisted company - Xtramus Technology Corporation (Xtramus) in April 2024, which decreased its shareholding ratio from 41.18% to 12.66%, and reclassified from investments accounted for using equity method to financial assets at fair value through other comprehensive income, and recognized a loss on disposal of investment of \$314 thousand.
- 5) The Consolidated Company acquired fixed rate corporate bond - 10-year domestic bank green bonds, P13 Taipei Fubon Bank 3, at amount of \$100,000 thousand for a total of 10 bonds, with each bond having a denomination of \$10,000 thousand and a coupon rate of 2.02%, on September 16, 2024.
- 6) On December 10, 2024, the Consolidated Company participated in 3,500 thousand shares of common stock of domestic listed (OTC) company - DataVan International Corp. (DataVan) through a private placement, at an investment cost of \$49,700 thousand (\$14.2 per share). According to the Securities and Exchange Act, from the delivery date of February 10, 2025 to the maturity date of February 9, 2028, the common stock of this private placement shall not be sold within three years unless the circumstances of transferring in accordance with Article 43-8.
- 7) During the first three quarters of 2025 and the fiscal year 2024, the Consolidated Company acquired the ordinary shares of its other related parties, with the investment costs amounting to \$19,734 thousand and \$24,415 thousand, respectively.
- 8) For disclosures on credit, exchange rate and interest rate risks in financial instruments, please refer to note 6(aa).
- 9) As of September 30, 2025, December 31, 2024, and September 30, 2024, no financial assets are pledged as collateral.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Sensitivity analysis – equity market price risk:

If the security price changes, and if it is on the same basis for both years and assumes that all other variables remain the same, the impact on other comprehensive income will be as follows:

	For the nine months ended September 30,			
	2025		2024	
Security price at reporting date	Other comprehensive income (loss) after-tax	Profit (loss) after-tax	Other comprehensive income (loss) after-tax	Profit (loss) after-tax
Increase 3%	\$ 4,925	52,875	3,647	23,989
Decrease 3%	<u>(4,925)</u>	<u>(52,875)</u>	<u>(3,647)</u>	<u>(23,989)</u>

(iii) Non-hedging-derivative financial instruments

Derivative financial instruments are used to hedge certain foreign exchange and interest rate risk arising from the Consolidated Company's operating, financing and investing activities. As of September 30, 2025, December 31, 2024, and September 30, 2024, transactions that did not qualify for hedging accounting have been presented as mandatorily measured at fair value through profit or loss:

1) Derivative financial assets

	September 30, 2025			December 31, 2024			September 30, 2024		
	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date
Cross currency swaps:									
USD	\$ 14,500	USD	2025.11	18,500	USD	2025.01	-	-	-
JPY	5,415,200	JPY	2025.10 ~2025.11	2,200,000	JPY	2025.01	1,100,000	JPY	2024.10
CNY	123,176	CNY	2025.10 ~2025.11	75,500	CNY	2025.02	35,350	CNY	2024.10 ~2024.11
EUR	4,500	EUR	2025.10 ~2025.11	4,700	EUR	2025.01	-	-	-
Forward foreign exchange contracts:									
CNY (buy)	-	-	-	35,000	CNY	2025.02	-	-	-
AUD (sell)	-	-	-	500	AUD	2025.02	-	-	-
BRL (sell)	-	-	-	12,772	BRL	2025.01	-	-	-
KRW (sell)	3,192,860	KRW	2025.11	3,303,950	KRW	2025.01	-	-	-
JPY (sell)	-	-	-	150,000	JPY	2025.02	275,000	JPY	2024.10 ~2024.11
EUR (sell)	2,800	EUR	2025.10 ~2025.11	4,200	EUR	2025.01	2,000	EUR	2024.11
INR (sell)	110,633	INR	2025.10	149,541	INR	2025.01	41,824	INR	2024.10

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**2) Derivative financial liabilities**

	September 30, 2025			December 31, 2024			September 30, 2024		
	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date	Contract amount (thousand)	Currency	Maturity date
Cross currency swaps:									
USD	\$ 11,000	USD	2025.10	-	-	-	18,500	USD	2024.11~2024.12
CNY	14,174	CNY	2025.10	-	-	-	146,084	CNY	2024.10~2024.11
EUR	6,400	EUR	2025.10~2025.11	1,500	EUR	2025.02	3,900	EUR	2024.10~2024.11
JPY	-	-	-	1,800,000	JPY	2025.01	3,050,000	JPY	2024.10~2024.11
CAD	2,500	CAD	2025.10	847	CAD	2025.02	-	-	-
AUD	1,250	AUD	2025.11	-	-	-	-	-	-
Forward foreign exchange contracts:									
EUR (sell)	3,000	EUR	2025.10	-	-	-	5,000	EUR	2024.10~2024.11
BRL (sell)	18,158	BRL	2025.10	9,460	BRL	2025.01	20,381	BRL	2024.10
INR (sell)	-	-	-	-	-	-	54,503	INR	2024.10
KRW (sell)	-	-	-	-	-	-	3,350,000	KRW	2024.10
JPY (sell)	845	JPY	2025.11	-	-	-	-	-	-
AUD (sell)	-	-	-	-	-	-	500	AUD	2024.10
CNY (buy)	-	-	-	14,590	CNY	2025.02	-	-	-

**(c) Notes and accounts receivable and other receivables**

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable for operating activities	\$ 2,861	11,748	2,394
Accounts receivable - measured at amortized cost	3,043,818	2,972,768	3,362,878
Account receivable - related parties	922	443	975
Other receivables	<u>59,102</u>	<u>57,978</u>	<u>44,651</u>
	3,106,703	3,042,937	3,410,898
Less: Loss Provision	<u>(111,448)</u>	<u>(105,961)</u>	<u>(104,050)</u>
	<b>\$ 2,995,255</b>	<b>2,936,976</b>	<b>3,306,848</b>

The Consolidated Company applies with the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all notes and accounts receivable and other receivables. To measure the expected credit losses, notes and accounts receivable and other receivables have been grouped based on shared credit risk characteristics and ability to pay all due, as well as incorporated forward looking information. The loss provision was determined as follows:

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**September 30, 2025**

	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss provision</b>
Current	\$ 2,568,178	0.28%	7,109
90 days or less past due	406,592	0.39%	1,600
91 to 180 days past due	14,910	16.12%	2,403
181 to 270 days past due	12,138	53.13%	6,448
271 to 360 days past due	908	72.30%	656
More than 360 days past due	<u>103,977</u>	89.67%	<u>93,232</u>
	<u><u>\$ 3,106,703</u></u>		<u><u>111,448</u></u>

**December 31, 2024**

	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss provision</b>
Current	\$ 2,353,454	0.29%	6,933
90 days or less past due	551,625	0.33%	1,798
91 to 180 days past due	20,310	11.17%	2,270
181 to 270 days past due	14,084	47.10%	6,634
271 to 360 days past due	4,638	78.89%	3,659
More than 360 days past due	<u>98,826</u>	85.67%	<u>84,667</u>
	<u><u>\$ 3,042,937</u></u>		<u><u>105,961</u></u>

**September 30, 2024**

	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss provision</b>
Current	\$ 2,625,313	0.29%	7,604
90 days or less past due	654,599	0.29%	1,885
91 to 180 days past due	19,935	11.23%	2,240
181 to 270 days past due	10,833	53.69%	5,816
271 to 360 days past due	123	85.92%	106
More than 360 days past due	<u>100,095</u>	86.32%	<u>86,399</u>
	<u><u>\$ 3,410,898</u></u>		<u><u>104,050</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The movements in the provision for notes and accounts receivable and other receivables were as follows:

	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1, 2025 and 2024	\$ 105,961	95,735
Expected credit loss	14,992	9,482
Amounts written off	(6,334)	-
Others	<u>(3,171)</u>	<u>(1,167)</u>
Balance at September 30, 2025 and 2024	<u><u>\$ 111,448</u></u>	<u><u>104,050</u></u>

(d) Finance lease payment receivable

The Consolidated Company leased out its office building and warehouse. It classified the sub-lease as a finance lease because the sub-lease is for the whole of the remaining term of the head lease.

A maturity analysis of lease payments, which reflects the undiscounted lease payments to be received after the reporting date, was as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Less than one year	\$ 40,695	42,900	41,106
One to two years	10,382	40,506	42,381
Two to three years	<u>-</u>	<u>-</u>	<u>7,189</u>
Total lease payments receivable	<u>51,077</u>	<u>83,406</u>	<u>90,676</u>
Unearned finance income	<u>(4,167)</u>	<u>(2,385)</u>	<u>(2,941)</u>
Total lease payments receivable (Present value of lease payments receivable)	<u><u>\$ 46,910</u></u>	<u><u>81,021</u></u>	<u><u>87,735</u></u>

(e) Inventories

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Raw materials	\$ 656,975	541,800	544,932
Work in process and semi-finished products	110,302	90,154	85,634
Merchandise and finished goods	<u>2,310,466</u>	<u>1,912,024</u>	<u>2,182,658</u>
	<u><u>\$ 3,077,743</u></u>	<u><u>2,543,978</u></u>	<u><u>2,813,224</u></u>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The operating cost comprises of cost of goods sold, write-down loss (reversal of write-down loss) of inventories to net realizable value, warranty costs and other (gain) loss. For the three months and nine months ended September 30, 2025 and 2024, the cost of goods sold were \$2,515,510 thousand, \$2,762,865 thousand, \$7,335,868 thousand and \$8,351,792 thousand, respectively. The loss on product warranty, obsolescence and order cancellation amounted to \$36,480 thousand, \$48,196 thousand, \$124,901 thousand and \$147,300 thousand, respectively. For the three months ended September 30, 2025, the Consolidated Company recognized write-down loss of inventories to net realizable value of \$2,167 thousand according to the inventory valuation policies by net realized value and aging. For the three months ended September 30, 2024, and nine months ended September 30, 2025 and 2024, due to actively destocking inventories with higher aging resulted in reversal of write-down loss of inventories to net realizable value to reduce cost of goods sold by \$252,323 thousand, \$9,699 thousand and \$372,311 thousand, respectively.

As of September 30, 2025, December 31, 2024, and September 30, 2024, no inventories were pledged as collateral.

(f) Investments accounted for using equity methods

Investments accounted for using equity methods were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	\$ -	- -	2,180
Less: credit balance of investment under the equity method (recorded under other non-current liabilities)	<u>(12,027)</u>	<u>(1,764)</u>	<u>-</u>
	<u><b>\$ (12,027)</b></u>	<u><b>(1,764)</b></u>	<u><b>2,180</b></u>

(i) Associates

1) The financial information of insignificant associates

The financial information of the Consolidated Company's equity-method associates, which were insignificant, was summarized as follows. The financial information was included in the Consolidated Company's consolidated financial statements.

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying amounts of insignificant associates	<u>\$ (12,027)</u>	<u>(1,764)</u>	<u>2,180</u>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Attributable to the Consolidated Company				
Net loss	\$ (2,454)	(4,431)	(10,042)	(12,763)
Other comprehensive income (loss)	390	(436)	(221)	425
Total comprehensive loss	<u>\$ (2,064)</u>	<u>(4,867)</u>	<u>(10,263)</u>	<u>(12,338)</u>

(ii) Pledges

As of September 30, 2025, December 31, 2024, and September 30, 2024, no investment accounted for using equity methods has been pledged as collateral.

(g) Subsidiaries have material non-controlling interests

Non-controlling interests of subsidiaries that were material to the Consolidated Company were as follows:

Name of subsidiary	Main operating location/ Registered country of the company	Ownership interests/voting rights held by NCI		
		September 30, 2025	December 31, 2024	September 30, 2024
D-Link India	India	48.98 %	48.98 %	48.98 %
Cameo	Taiwan	58.42 %	58.42 %	58.42 %

The following summarizes the financial information of aforementioned subsidiaries. The financial information is prepared in accordance with the IFRS as adopted by the FSC, and reflects the fair value adjustment made by the Consolidated Company at the acquisition date, as well as the adjustments made for differences in accounting policies. The information incurred prior to the inter-company eliminations with other companies in the Consolidated Company.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The financial information of D-Link India was summarized as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Current assets	\$ 2,407,852	2,385,374	2,192,356
Non-current assets	596,996	624,981	613,249
Current liabilities	996,669	901,853	768,716
Non-current liabilities	34,294	13,310	14,820
Net assets	<u>\$ 1,973,885</u>	<u>2,095,192</u>	<u>2,022,069</u>
Net assets attributable to non-controlling interests	<u>\$ 791,886</u>	<u>838,035</u>	<u>808,706</u>
	<b>For the three months ended September 30,</b>	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	
Operating revenues	<u>\$ 1,290,170</u>	<u>1,293,469</u>	<u>3,946,607</u>
Net profit	<u>\$ 88,879</u>	<u>99,739</u>	<u>280,320</u>
Other comprehensive (loss) income	<u>(24,747)</u>	<u>(57,040)</u>	<u>(188,955)</u>
Total comprehensive income	<u>\$ 64,132</u>	<u>42,699</u>	<u>91,365</u>
Net profit attributable to non-controlling interests	<u>\$ 43,533</u>	<u>48,852</u>	<u>137,301</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 31,412</u>	<u>20,915</u>	<u>44,751</u>
	<b>For the nine months ended September 30,</b>		
	<b>2025</b>	<b>2024</b>	
Cash flows from operating activities	\$ 117,901	204,253	
Cash flows from (used in) investing activities	70,703	(20,624)	
Cash flows used in financing activities	(185,803)	(171,625)	
Net increase in cash and cash equivalents	<u>\$ 2,801</u>	<u>12,004</u>	
Dividends paid to non- controlling interests	<u>\$ 90,900</u>	<u>84,103</u>	

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The financial information of Cameo was summarized as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Current assets	\$ 2,001,276	2,205,902	2,263,781
Non-current assets	2,122,356	1,946,787	1,890,630
Current liabilities	748,629	639,727	619,618
Non-current liabilities	449,789	479,202	504,185
Net assets	<u><u>\$ 2,925,214</u></u>	<u><u>3,033,760</u></u>	<u><u>3,030,608</u></u>
Net assets attributable to non-controlling interests	<u><u>\$ 1,653,555</u></u>	<u><u>1,691,572</u></u>	<u><u>1,709,097</u></u>
	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
Operating revenues	<u><u>\$ 502,868</u></u>	<u><u>321,233</u></u>	<u><u>1,426,955</u></u>
Net profit (loss)	<u><u>\$ 24,488</u></u>	<u><u>(74,706)</u></u>	<u><u>(55,229)</u></u>
Other comprehensive income (loss)	<u><u>17,872</u></u>	<u><u>8,433</u></u>	<u><u>(54,770)</u></u>
Total comprehensive income (loss)	<u><u>\$ 42,360</u></u>	<u><u>(66,273)</u></u>	<u><u>(109,999)</u></u>
Net profit (loss) attributable to non- controlling interests	<u><u>\$ 14,307</u></u>	<u><u>(43,644)</u></u>	<u><u>(32,265)</u></u>
Total comprehensive income (loss) attributable to non- controlling interests	<u><u>\$ 23,478</u></u>	<u><u>(42,051)</u></u>	<u><u>(38,865)</u></u>
Cash flows used in operating activities		\$ (157,400)	(75,873)
Cash flows from (used in) investing activities		62,723	(547,677)
Cash flows used in financing activities		(86,052)	(107,048)
Impact of the changes in exchange rates on cash and cash equivalents		(12,532)	11,053
Net decrease in cash and cash equivalents	<u><u>\$ (193,261)</u></u>	<u><u>(719,545)</u></u>	

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(h) Property, plant and equipment**

**For the nine months ended September 30, 2025**

	<b>Balance at January 1, 2025</b>	<b>Increase</b>	<b>Decrease</b>	<b>Reclassification</b>	<b>Others</b>	<b>Balance at September 30, 2025</b>
<b>Cost:</b>						
Land	\$ 930,844	-	-	-	1,542	932,386
Buildings	2,042,305	1,183	(4,120)	180	(1,862)	2,037,686
Machinery equipment	536,999	8,002	(9,423)	-	(1,881)	533,697
Others	<u>1,074,255</u>	<u>53,015</u>	<u>(91,095)</u>	<u>-</u>	<u>(22,052)</u>	<u>1,014,123</u>
	<u>4,584,403</u>	<u>62,200</u>	<u>(104,638)</u>	<u>180</u>	<u>(24,253)</u>	<u>4,517,892</u>
<b>Accumulated depreciation:</b>						
Buildings	\$ 816,765	37,381	(4,120)	-	(4,189)	845,837
Machinery equipment	487,604	23,118	(9,423)	-	(1,822)	499,477
Others	<u>969,684</u>	<u>43,052</u>	<u>(89,259)</u>	<u>-</u>	<u>(18,617)</u>	<u>904,860</u>
	<u>2,274,053</u>	<u>103,551</u>	<u>(102,802)</u>	<u>-</u>	<u>(24,628)</u>	<u>2,250,174</u>
	<u><b>\$ 2,310,350</b></u>	<u><b>(41,351)</b></u>	<u><b>(1,836)</b></u>	<u><b>180</b></u>	<u><b>375</b></u>	<u><b>2,267,718</b></u>

**For the nine months ended September 30, 2024**

	<b>Balance at January 1, 2024</b>	<b>Increase</b>	<b>Decrease</b>	<b>Reclassification</b>	<b>Others</b>	<b>Balance at September 30, 2024</b>
<b>Cost:</b>						
Land	\$ 931,535	-	-	-	(44)	931,491
Buildings	2,036,279	4,041	(3,941)	629	5,029	2,042,037
Machinery equipment	575,384	14,239	(51,748)	-	1,748	539,623
Others	<u>1,167,371</u>	<u>21,870</u>	<u>(96,370)</u>	<u>-</u>	<u>11,098</u>	<u>1,103,969</u>
	<u>4,710,569</u>	<u>40,150</u>	<u>(152,059)</u>	<u>629</u>	<u>17,831</u>	<u>4,617,120</u>
<b>Accumulated depreciation:</b>						
Buildings	\$ 765,239	38,259	(3,354)	-	2,694	802,838
Machinery equipment	509,319	25,770	(51,748)	-	1,692	485,033
Others	<u>1,041,930</u>	<u>43,406</u>	<u>(95,519)</u>	<u>-</u>	<u>12,683</u>	<u>1,002,500</u>
	<u>2,316,488</u>	<u>107,435</u>	<u>(150,621)</u>	<u>-</u>	<u>17,069</u>	<u>2,290,371</u>
	<u><b>\$ 2,394,081</b></u>	<u><b>(67,285)</b></u>	<u><b>(1,438)</b></u>	<u><b>629</b></u>	<u><b>762</b></u>	<u><b>2,326,749</b></u>

As of September 30, 2025, December 31, 2024, and September 30, 2024, property, plant and equipment has been pledged as collateral for long-term borrowings, please refer to note 8.

The Consolidated Company leased out its offices under an operating lease for the nine months ended September 30, 2025 and 2024, please refer to note 6(r).

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Right-of-use assets

The Consolidated Company leased buildings, office equipment and transportation equipment. Information about leases was presented below:

	<b>Buildings</b>	<b>Office equipment</b>	<b>Transportation equipment</b>	<b>Total</b>
Cost:				
Balance at January 1, 2025	\$ 507,580	9,087	45,352	562,019
Increase	89,146	3,335	8,802	101,283
Decrease	(168,701)	(4,847)	(11,424)	(184,972)
Others	<u>(14,805)</u>	<u>(37)</u>	<u>2,533</u>	<u>(12,309)</u>
Balance at September 30, 2025	<u><u>\$ 413,220</u></u>	<u><u>7,538</u></u>	<u><u>45,263</u></u>	<u><u>466,021</u></u>
Balance at January 1, 2024	\$ 567,136	9,625	51,081	627,842
Increase	80,158	27	9,954	90,139
Decrease	(98,672)	(218)	(12,533)	(111,423)
Others	<u>6,541</u>	<u>348</u>	<u>1,761</u>	<u>8,650</u>
Balance at September 30, 2024	<u><u>\$ 555,163</u></u>	<u><u>9,782</u></u>	<u><u>50,263</u></u>	<u><u>615,208</u></u>
Accumulated depreciation:				
Balance at January 1, 2025	\$ 280,277	7,234	20,126	307,637
Increase	85,717	1,910	11,385	99,012
Decrease	(136,650)	(4,847)	(9,231)	(150,728)
Others	<u>(11,513)</u>	<u>(20)</u>	<u>1,223</u>	<u>(10,310)</u>
Balance at September 30, 2025	<u><u>\$ 217,831</u></u>	<u><u>4,277</u></u>	<u><u>23,503</u></u>	<u><u>245,611</u></u>
Balance at January 1, 2024	\$ 271,850	5,097	16,847	293,794
Increase	107,615	2,090	13,318	123,023
Decrease	(87,733)	(197)	(8,509)	(96,439)
Others	<u>4</u>	<u>196</u>	<u>593</u>	<u>793</u>
Balance at September 30, 2024	<u><u>\$ 291,736</u></u>	<u><u>7,186</u></u>	<u><u>22,249</u></u>	<u><u>321,171</u></u>
Carrying amount:				
Balance at January 1, 2025	\$ 227,303	1,853	25,226	254,382
Balance at September 30, 2025	<u><u>\$ 195,389</u></u>	<u><u>3,261</u></u>	<u><u>21,760</u></u>	<u><u>220,410</u></u>
Balance at September 30, 2024	<u><u>\$ 263,427</u></u>	<u><u>2,596</u></u>	<u><u>28,014</u></u>	<u><u>294,037</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(j) Investment property

**For the nine months ended September 30, 2025**

	Balance at January 1, 2025	Increase	Decrease	Balance at September 30, 2025
Cost:				
Land	\$ 30,000	-	-	30,000
Buildings	<u>22,196</u>	-	-	22,196
	<u>52,196</u>	-	-	52,196
Accumulated depreciation:				
Buildings	<u>13,509</u>	297	-	13,806
Accumulated impairment:				
Buildings	<u>1,000</u>	-	-	1,000
	<u><u>\$ 37,687</u></u>	<u><u>(297)</u></u>	<u><u>-</u></u>	<u><u>37,390</u></u>

**For the nine months ended September 30, 2024**

	Balance at January 1, 2024	Increase	Decrease	Balance at September 30, 2024
Cost:				
Land	\$ 30,000	-	-	30,000
Buildings	<u>22,196</u>	-	-	22,196
	<u>52,196</u>	-	-	52,196
Accumulated depreciation:				
Buildings	<u>13,113</u>	297	-	13,410
Accumulated impairment:				
Buildings	<u>1,000</u>	-	-	1,000
	<u><u>\$ 38,083</u></u>	<u><u>(297)</u></u>	<u><u>-</u></u>	<u><u>37,786</u></u>
	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>	
Carrying amount	<u><u>\$ 37,390</u></u>	<u><u>37,687</u></u>	<u><u>37,786</u></u>	
Fair value	<u><u>\$ 75,472</u></u>	<u><u>83,626</u></u>	<u><u>80,930</u></u>	

Investment properties are commercial real estate that are leased to third parties. The lease contract includes an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee and no contingent rents are charged. For further information of rental income, please refer to note 6(y). Besides, direct operating expenses related to investment property were \$0 thousand, \$0 thousand, \$273 thousand and \$277 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

As of September 30, 2025, December 31, 2024, and September 30, 2024, the fair value of investment property has been evaluated based on the comparable transactions of property similar in location and category.

As of September 30, 2025, December 31, 2024, and September 30, 2024, no investment property has been pledged as collateral.

The Consolidated Company leased out its offices under an operating lease for the nine months ended September 30, 2025 and 2024, please refer to note 6(r).

**(k) Intangible assets**

	For the nine months ended September 30, 2025					
	Balance at January 1, 2025	Increase	Decrease	Amortization	Others	Balance at September 30, 2025
Goodwill	\$ 540,258	-	-	-	(7,920)	532,338
Trademark	157,114	-	-	(14)	(11,072)	146,028
Patents	36,885	226	-	(7,574)	-	29,537
Computer software costs	25,900	636	-	(4,908)	397	22,025
Other intangible assets	<u>56,787</u>	<u>45,787</u>	<u>(396)</u>	<u>(30,495)</u>	<u>(47)</u>	<u>71,636</u>
	<u><u>\$ 816,944</u></u>	<u><u>46,649</u></u>	<u><u>(396)</u></u>	<u><u>(42,991)</u></u>	<u><u>(18,642)</u></u>	<u><u>801,564</u></u>

For the nine months ended September 30, 2024

	Balance at January 1, 2024	Increase	Decrease	Amortization	Others	Balance at September 30, 2024
Goodwill	\$ 526,327	-	-	-	6,428	532,755
Trademark	147,331	-	-	(14)	4,388	151,705
Patents	46,643	367	-	(7,619)	-	39,391
Computer software costs	13,069	12,879	-	(3,354)	-	22,594
Other intangible assets	<u>51,245</u>	<u>25,721</u>	<u>-</u>	<u>(22,270)</u>	<u>209</u>	<u>54,905</u>
	<u><u>\$ 784,615</u></u>	<u><u>38,967</u></u>	<u><u>-</u></u>	<u><u>(33,257)</u></u>	<u><u>11,025</u></u>	<u><u>801,350</u></u>

**(l) Share-based payment**

**(i) Restricted share plan for employees**

On August 14, 2023, the Company's Board of Directors resolved to increase the capital by issuing 3,000 thousand employee restricted shares at no consideration based on the resolutions approved by the shareholders' meeting held on May 27, 2022, which was declared effective by Letter No. 1110365032 of the FSC on November 30, 2022. The resolutions approved by the Board of Directors were as follows:

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(In Thousands of shares)

<b>Grant Date</b>	<b>Granted Shares</b>	<b>Fair Value Per Share</b>	<b>Issued Date</b>	<b>Issued Shares</b>
September 25, 2023	3,000	\$ 19.90	September 25, 2023	3,000

To qualify for the employee restricted shares, an employee should meet the following employment years and performance conditions over the vesting period:

- 1) 40% restricted shares will be vested to an employee who employed a year after the grant date and gets a rating “B+” (or higher) in the annual performance review.
- 2) 30% restricted shares will be vested to an employee who employed two years after the grant date and gets a rating “B+” (or higher) in the annual performance review.
- 3) 30% restricted shares will be vested to an employee who employed three years after the grant date and gets a rating “B+” (or higher) in the annual performance review.

After employees are allocated new shares, their rights that are restricted prior to the vesting conditions should be met as follows:

- 1) Except for inheritance, those restricted shares should not be sold, pledged, transferred, donated, setted or disposed in any other way before the vesting conditions are met.
- 2) Before the vesting conditions are met, the attendance, proposal rights, speech rights, voting rights and electing rights, etc. shall be the same as common shares and shall be handled in accordance with the trust custody contract.
- 3) Employees do not have earnings distribution rights before the vesting conditions are met. The distributing rights include but are not limited to: dividends, stock dividends, legal reserve and capital reserve, etc. All related operational matters shall be executed in accordance with the trust custody contract.
- 4) Beginning from the Company's book closure dates for gratuitous allotment, cash dividend, cash subscription for capital increase, shareholders' meeting specified in Article 165, Paragraph 3 of the Company Act, or other legal book closure period to the base date of distribution rights, the time and procedures for granting the unrestricted vested shares for employees who meet the vesting conditions shall be implemented in accordance with the trust custody agreement or relevant regulations.
- 5) During the vesting period, if the Company undergoes a cash capital reduction or other capital reduction that is not due to statutory capital reduction, the new shares with restricted employee rights shall be canceled in accordance with the capital reduction ratio. For cash capital reduction, the cash returned must first be kept in the trust, then, can only be delivered to employees who met all the vesting conditions within the vesting period. Otherwise, the cash shall be recalled by the Company.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Other agreed matters:

- 1) After the employee restricted shares are issued, it must be immediately delivered to the trust for safekeeping; and before the vested conditions are met, employees may not request the trustee to return the employee restricted shares under any circumstances.
- 2) During the period when the employee restricted shares are delivered to the trust for safekeeping, the Company or a person designated by the Company shall have full authority to act on behalf of the employee and trust custody to negotiate, sign, amend, extend, nullify and terminate the trust custody agreement. The authorized individual also has the right to use and dispose the property, as well as handover the shares to the employee, held in trust.

Information on restricted share plan for employees was as follows:

	(In Thousands of shares)	
	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Balance at the beginning of the period	1,555	3,000
Vested in the current period	(699)	(1,036)
Forfeited in the current period (Note)	<u>(156)</u>	<u>(385)</u>
Balance at the end of the period	<u><u>700</u></u>	<u><u>1,579</u></u>

Note: For the nine months ended September 30, 2025 and 2024, the recovered restricted employee stock options were 156 thousand shares and 385 thousand shares, respectively, and the registration have been completed.

For the three months and nine months ended September 30, 2025 and 2024, the compensation costs recognized amounted to \$3,525 thousand, \$7,591 thousand, \$7,656 thousand and \$21,274 thousand, respectively.

(m) Short-term and long-term borrowings

The details, conditions and terms of short-term and long-term borrowings of the Consolidated Company were as follows:

(i) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unused credit line	<u><u>\$ 3,448,381</u></u>	<u><u>3,612,216</u></u>	<u><u>3,924,677</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Long-term borrowings

	Currency	Interest rate (%)	Maturity year	September 30, 2025	December 31, 2024	September 30, 2024
Secured bank borrowings	TWD	1.475 ~2.235	2025~2033	\$ 453,849	528,881	559,419
Less : current portion				(48,000)	(87,032)	(105,570)
Total				<u>\$ 405,849</u>	<u>441,849</u>	<u>453,849</u>
Unused credit line				<u>\$ 400,000</u>	<u>497,000</u>	<u>497,000</u>

For the real estate of the Consolidated Company pledged as a collateral for bank borrowings, please refer to note 8.

(n) Other Payables

		September 30, 2025	December 31, 2024	September 30, 2024
Salary payable		\$ 270,370	332,249	309,038
Dividend payable		988	1,005	751
Other payables-other		<u>758,385</u>	<u>661,675</u>	<u>644,507</u>
		<u>\$ 1,029,743</u>	<u>994,929</u>	<u>954,296</u>

(o) Lease liabilities

The amounts of lease liabilities for the Consolidated Company were as follows:

		September 30, 2025	December 31, 2024	September 30, 2024
Current		<u>\$ 128,681</u>	<u>166,040</u>	<u>177,098</u>
Non-current		<u>\$ 147,368</u>	<u>177,553</u>	<u>213,967</u>

The amounts 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
Interests on lease liabilities	<u>\$ 3,145</u>	<u>3,650</u>	<u>9,529</u>	<u>11,488</u>
Expenses relating to short- term leases	<u>\$ 18,021</u>	<u>8,672</u>	<u>28,886</u>	<u>33,507</u>
Expenses relating to leases of low-value assets	<u>\$ 172</u>	<u>93</u>	<u>435</u>	<u>251</u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The amounts recognized in the statement of cash flows for the Consolidated Company were as follows:

	For the nine months ended September 30,	
	2025	2024
Total cash outflow for leases	<u>\$ 207,677</u>	<u>199,128</u>

(i) Real estate leases

The Consolidated Company leased buildings for its office space. The leases of office space typically run for one to ten years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(ii) Other leases

The Consolidated Company also leases office equipment with contract terms of one to three years. In some cases, the Consolidated Company has options to purchase the assets at the end of the contract term; in other cases, the Consolidated Company guarantees the residual value of the leased assets at the end of the contract term.

(p) Current provisions

	For the nine months ended September 30, 2025				
	Balance at January 1, 2025	Increased	Used	Reversed	Effect of exchange
Warranties	\$ 92,188	4,417	(12,494)	-	(200)
Legal proceedings and royalties	<u>42,615</u>	<u>57,462</u>	<u>(29,335)</u>	<u>(20,320)</u>	<u>(406)</u>
	<u><b>\$ 134,803</b></u>	<u><b>61,879</b></u>	<u><b>(41,829)</b></u>	<u><b>(20,320)</b></u>	<u><b>(606)</b></u>
					<b>Balance at September 30, 2025</b>
					83,911
					50,016
					<b>133,927</b>

	For the nine months ended September 30, 2024				
	Balance at January 1, 2024	Increased	Used	Reversed	Effect of exchange
Warranties	\$ 96,748	5,429	(10,103)	-	(164)
Legal proceedings and royalties	<u>30,735</u>	<u>36,620</u>	<u>(9,666)</u>	<u>(17,485)</u>	<u>942</u>
	<u><b>\$ 127,483</b></u>	<u><b>42,049</b></u>	<u><b>(19,769)</b></u>	<u><b>(17,485)</b></u>	<u><b>778</b></u>
					<b>Balance at September 30, 2024</b>
					91,910
					41,146
					<b>133,056</b>

(q) Refund liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Refund liabilities	<u>\$ 365,322</u>	<u>418,961</u>	<u>493,320</u>

Refund liabilities were predicted payments to the customers based on expected volume discounts and the right to the returned goods.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(r) Operating leases**

The Consolidated Company leased out its fixed assets and investment property. The Consolidated Company has classified these leases as operating leases because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note 6(h) and (j).

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

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Within one year	\$ 8,045	7,130	8,007
One to two years	4,139	4,139	4,138
Two to five years	<u>5,657</u>	<u>8,761</u>	<u>9,796</u>
Total undiscounted lease payments	<u><u>\$ 17,841</u></u>	<u><u>20,030</u></u>	<u><u>21,941</u></u>

**(s) Employee benefits**

In the prior fiscal year, there was no material volatility of the market, no material reimbursement and settlement or other material one-time events. As a result, pension costs in the interim consolidated financial statements were measured and disclosed according to the actuarial report for the years ended December 31, 2024 and 2023.

**(i) Defined benefit pension plans**

The recognized expenses were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Operating expenses	<u><u>\$ 33</u></u>	<u><u>37</u></u>	<u><u>104</u></u>	<u><u>112</u></u>

**(ii) Defined contribution plans**

The domestic company of the Consolidated Company set aside 6% of the contribution rate of the employee's monthly wages to the labor pension personal account of the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. The Consolidated Company set aside a fixed amount to the Bureau of the Labor Insurance without the payment of additional legal or constructive obligations.

The foreign company of the Consolidated Company made contributions in accordance with local regulations.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The amount of the Consolidated Company's pension expenses under defined contribution pension plans was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Operating costs	\$ 3,239	2,979	9,690	9,035
Operating expenses	<u>26,414</u>	<u>26,945</u>	<u>83,354</u>	<u>82,760</u>

(t) Income Taxes

Income tax expenses are measured by the profit before tax in the interim consolidated financial statements multiplied by the effective tax rate for the whole year of the management's best estimation.

Income tax expenses for the Consolidated Company were summarized as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Current income tax expense	\$ 59,964	49,876	126,131	154,236
Deferred tax expense				
Origination and reversal of temporary differences	<u>7,816</u>	<u>29,036</u>	<u>19,657</u>	<u>31,429</u>
Income tax expenses	<u><b>67,780</b></u>	<u><b>78,912</b></u>	<u><b>145,788</b></u>	<u><b>185,665</b></u>

The amount of income tax expense (benefit) recognized in other comprehensive income for the Consolidated Company was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	<u>\$ 8,494</u>	<u>(37,579)</u>	<u>(32,880)</u>	<u>49,518</u>

The income tax return of the Company has been examined by the tax authority through 2021. The income tax returns of Cameo, Qianjin Investment and D-Link Taiwan Investment have been examined by the tax authority through 2023.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(u) Capital and other equity

(i) Common stock

As of September 30, 2025, December 31, 2024, and September 30, 2024, the authorized capital amounted to \$8,800,000 thousand (including \$750,000 thousand authorized for the issuance of the employee shares options). As of September 30, 2025, December 31, 2024, and September 30, 2024, all the paid-in capital consisted 602,272 thousand shares, 602,428 thousand shares and 602,452 thousand shares, respectively, with a par value of \$10 per share, amounting to \$6,022,721 thousand, \$6,024,275 thousand and \$6,024,515 thousand, respectively.

(ii) Capital surplus

The balances of capital surplus for the Consolidated Company were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Common stock in excess of par value	\$ 1,037,134	1,047,340	1,047,340
Treasury shares transactions	41,253	41,027	41,027
Expiry of employee stock options	129,459	129,459	129,459
Expiry of redeemed options of convertible corporate bonds	81,454	81,454	81,454
Changes in equities of the Company's ownership interests in subsidiaries	55,924	55,320	55,320
Issue employee restricted shares	4,606	10,234	10,233
<b>Total</b>	<b>\$ 1,349,830</b>	<b>1,364,834</b>	<b>1,364,833</b>

According to the R.O.C. Company Act, realized capital surplus can only be reclassified as share capital or be distributed as cash dividends after offsetting against losses. The aforementioned realized capital surplus includes share premium and donation gains. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the amount of capital surplus to be reclassified under share capital should not exceed 10% of the paid-in capital each year.

The Company's Board of Directors resolved to distribute cash of \$17,132 thousand, at \$0.0285 per share, on February 26, 2025.

(iii) Retained earnings

1) Legal reserve

According to the R.O.C. Company Act No. 237, the Company must retain 10% of its net profit as a legal reserve until such retention equals the total paid-in capital.

In accordance with Ruling No. 10802432410 issued by the Ministry of Economic Affairs (MOEA) on January 9, 2020, the amount of retained earnings allotted to legal reserve shall be calculated based on "net income after income taxes, plus any other amount recognized in undistributed retained earnings" since the earnings distribution in 2019.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

When the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be distributed as dividends in cash or stocks based on the resolution of the shareholders' meeting if there is no accumulated deficit.

2) Special reserve

In accordance with Ruling issued by the Financial Supervisory Commission, a special reserve equivalent to the net debit balance of other shareholders' equity shall be set aside from the current earnings and the prior unappropriated earnings. The Company shall not distribute the special reserve equivalent to the net debit balance of shareholders' equity from the prior fiscal years set aside from the prior unappropriated earnings. The amount of subsequent reversals pertaining to the net debit balance of other shareholders' equity shall qualify for distribution.

3) Earning distribution

In accordance with the Company's articles of incorporation, if there are earnings at year-end, 10 percent should be set aside as legal reserve until such retention equals the total paid-in capital after the payment of income tax and offsetting accumulated losses from prior years. Also set aside from or reverse special reserve in accordance with the Securities and Exchange Act. The remaining portion will be combined with earnings from prior years, and the Board of Directors can propose appropriations of earnings to be approved by the shareholders' meeting.

The distributable dividends in whole or in part will be paid in cash by the Company after a resolution has been adopted by a majority vote at the Board of Directors attended by at least two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company's Board of Directors resolved to distribute the cash dividends of \$0.0715 per share, amounting to \$42,955 thousand on February 26, 2025. The appropriation of legal reserve of \$4,773 thousand was approved by the shareholders' meeting on May 27, 2025.

The Company's Board of Directors resolved to distribute the cash dividends of \$0.5355 per share, amounting to \$321,236 thousand on February 27, 2024. The appropriation of legal reserve of \$54,698 thousand and special reserve of \$171,042 thousand was approved by the shareholders' meeting on May 29, 2024.

The related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

4) Dividend policy

The Company has carried out its Residual Dividend Policy to align with the (i) whole market (ii) industrial growth characteristics (iii) long term financial plan (iv) talent acquisition, and (v) pursuing sustainable business development. After deducting the balance from the items mentioned above, the Board of Directors shall adopt a proposal for the residual balance and the previous year's earnings to be submitted for approval during the shareholders' meeting. The total amount of dividends to be distributed to the shareholders shall be no less than 30% of the distributable earnings for the current year.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

According to the budget plan for its capital, the Company shall distribute stock dividends to retain the required funds; and any remainder, which should not be less than 10% of the total dividends, can be distributed by cash.

(iv) Treasury shares

As of September 30, 2025, Qianjin Investment, a subsidiary of the Consolidated Company, held \$5,434 thousand shares of the Company with a total value of \$82,823 thousand attributed to the repurchase cost by the Company, was recognized under treasury shares.

(v) Other equity

1) Exchange differences on translation of foreign financial statements and unrealized gains (losses) on financial assets measured at fair value through other comprehensive income

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income
Balance at January 1, 2025	\$ (1,425,786)	(9,387)
The Consolidated Company	(211,107)	(14,541)
Associates	(221)	-
Balance at September 30, 2025	<u><u>\$ (1,637,114)</u></u>	<u><u>(23,928)</u></u>
Balance at January 1, 2024	\$ (1,557,495)	(17,004)
The Consolidated Company	134,026	793
Associates	425	-
Associates—disposal	(48,373)	-
Balance at September 30, 2024	<u><u>\$ (1,471,417)</u></u>	<u><u>(16,211)</u></u>

2) Unearned compensation

**For the nine months ended  
September 30,**

	2025	2024
Balance at January 1, 2025 and 2024	\$ (11,457)	(40,110)
Compensation cost of employee restricted shares	7,912	25,836
Balance at September 30, 2025 and 2024	<u><u>\$ (3,545)</u></u>	<u><u>(14,274)</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(vi) Non-controlling interests

	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
Balance at the beginning of the period	\$ 2,529,607	2,516,055
Attributable to non-controlling interests:		
Net profit	105,036	66,394
Exchange differences on translation of foreign financial statements	(99,873)	19,457
Unrealized gains from investments in debt instruments measured at fair value through other comprehensive income	723	-
Dividends that have been distributed were returned and reclassified as capital surplus	848	-
Cash dividends distributed	<u>(90,900)</u>	<u>(84,103)</u>
Balance at the end of the period	<u><u>\$ 2,445,441</u></u>	<u><u>2,517,803</u></u>

(v) Earnings (loss) per share

The calculation of earnings (loss) per share of the Consolidated Company was as follows:

(i) Basic earnings (loss) per share

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net profit (loss) of the parent company for the year	<u>\$ 13,934</u>	<u>177,524</u>	<u>(288,870)</u>	<u>146,366</u>
Outstanding ordinary shares	<u>598,847</u>	<u>597,923</u>	<u>598,691</u>	<u>597,692</u>
Basic earnings (loss) per share (in New Taiwan dollars)	<u>\$ 0.02</u>	<u>0.30</u>	<u>(0.48)</u>	<u>0.24</u>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Diluted earnings (loss) per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net profit (loss) of the parent company for the year	\$ <u>13,934</u>	<u>177,524</u>	<u>(288,870)</u>	<u>146,366</u>
Weighted average number of outstanding ordinary shares (basic)	598,847	597,923	598,691	597,692
Unvested employee restricted shares	981	906	-	1,720
Employees' compensation has not been resolved by the Board of Directors	- <u>442</u>	<u>442</u>	- <u>794</u>	<u>794</u>
Weighted average number of outstanding ordinary shares (diluted)	<u>599,828</u>	<u>599,271</u>	<u>598,691</u>	<u>600,206</u>
Diluted earnings (loss) per share (in New Taiwan dollars)	\$ <u>0.02</u>	<u>0.30</u>	<u>(0.48)</u>	<u>0.24</u>

For the nine months ended September 30, 2025, the unvested employee restricted shares and employee stock options had anti-dilutive effect and were excluded from the calculation of diluted earnings per share.

(w) Revenue from contracts with customers

(i) The Consolidated Company's revenue from contracts with customers

Major product / service lines	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Switch and Security products	\$ 1,349,131	1,576,198	3,917,282	4,650,264
Wireless and IoT products	430,939	397,980	1,170,206	1,117,083
Mobile and Broadband products	449,162	488,467	1,126,874	1,515,806
Others	<u>1,215,018</u>	<u>1,217,842</u>	<u>3,717,216</u>	<u>3,680,893</u>
	<u><b>\$ 3,444,250</b></u>	<u><b>3,680,487</b></u>	<u><b>9,931,578</b></u>	<u><b>10,964,046</b></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Primary geographical markets	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
American	\$ 274,409	225,706	773,700	645,747
European	709,878	871,062	1,969,297	2,388,539
Asian and others	2,459,963	2,583,719	7,188,581	7,929,760
	<b>\$ 3,444,250</b>	<b>3,680,487</b>	<b>9,931,578</b>	<b>10,964,046</b>

(ii) Contract liabilities

1) The Consolidated Company recognized contract revenue related to contract liabilities:

	September 30, 2025	December 31, 2024	September 30, 2024
Current contract liabilities (sales)	\$ 147,509	141,379	135,560

2) The beginning contract liabilities were recognized as income, amounting to \$27,663 thousand, \$6,312 thousand, \$52,742 thousand and \$82,672 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively.

(x) Remunerations to employees and directors

On May 27, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Association. According to the amended Articles, if the Company incurs profit for the year, the profit shall first be used to offset against any deficit. Thereafter, a minimum of 1% to a maximum of 15% of the remainder shall be appropriated as employee remuneration, and less than 1% as directors' remuneration, and a minimum of 0.5% shall be appropriated as remuneration for junior employees. Prior to the amendment, the Articles of Association stipulated that, if the Company incurs profit for the year, the profit shall first be used to offset against any deficit; then, a minimum of 1% to a maximum of 15% of the remainder shall be appropriated as employee remuneration, and less than 1% as directors' remuneration.

The profit shall be considered as the annual income before tax, excluding the remunerations to employees and directors, which shall be decided by at least two-third of the voting rights exercised by the majority of the directors present at the board meeting, and reported to shareholders' meeting thereafter. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain specific conditions.

No remunerations to employees and directors were accrued for the nine months ended September 30, 2025, due to the loss before tax incurred by the Company.

For the nine months ended September 30, 2024, the Company's estimated its remunerations to employees and directors amounting to \$8,549 thousand and \$855 thousand, respectively. The estimated amounts mentioned above were calculated based on the profit before tax, excluding the remunerations to employees and directors, and were reported in the operating expenses during 2024.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

In 2024 and 2023, the Company's remunerations to its employees were \$3,081 thousand and \$31,381 thousand, respectively, and remunerations to its directors were \$308 thousand and \$3,138 thousand, respectively, base on the resolution of the board meeting held on February 26, 2025 and February 27, 2024, and had been reported at the shareholders' meeting thereafter. Related information was available at the Market Observation Post System website of the Taiwan Stock Exchange.

(y) Other income and losses

(i) Interest income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 18,432	33,469	84,435	91,862
Other interest income	383	730	1,443	2,389
<b>Total</b>	<b><u>18,815</u></b>	<b><u>34,199</u></b>	<b><u>85,878</u></b>	<b><u>94,251</u></b>

(ii) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Rent income	\$ 1,759	3,014	5,296	7,096
Dividend income	14,891	185	17,156	1,885
<b>Total</b>	<b><u>16,650</u></b>	<b><u>3,199</u></b>	<b><u>22,452</u></b>	<b><u>8,981</u></b>

(iii) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Gain on disposals of investments	\$ 14,302	59,143	53,751	82,931
Foreign exchange gains (losses)	10,460	40,918	(123,455)	58,361
Valuation gains (losses) from financial assets and liabilities	89,145	(33,419)	74,138	204,767
Others	(10)	1,460	2,597	13,195
<b>Total</b>	<b><u>113,897</u></b>	<b><u>68,102</u></b>	<b><u>7,031</u></b>	<b><u>359,254</u></b>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expense	\$ (3,045)	(7,392)	(9,620)	(15,674)
Lease liability interests	<u>(3,145)</u>	<u>(3,650)</u>	<u>(9,529)</u>	<u>(11,488)</u>
Total	<u><u>\$ (6,190)</u></u>	<u><u>(11,042)</u></u>	<u><u>(19,149)</u></u>	<u><u>(27,162)</u></u>

(z) Reclassification adjustments of components of other comprehensive income

Details of the reclassification adjustments of components of other comprehensive income were summarized as follows:

	For the nine months ended September 30,	
	2025	2024
Exchange differences on translation of foreign financial statements:		
Change in exchange from the Consolidated Company	\$ (243,987)	183,544
Change in exchange from non-controlling interests	<u>(99,873)</u>	<u>19,457</u>
Change in exchange differences on translation of foreign financial statements recognized in other comprehensive (loss) income	<u><u>\$ (343,860)</u></u>	<u><u>203,001</u></u>
Unrealized gains from investments in debt instruments measured at fair value through other comprehensive income:		
Change in fair value from the Consolidated Company	\$ 514	-
Change in fair value from non-controlling interests	<u>723</u>	<u>-</u>
Change in fair value recognized in other comprehensive income	<u><u>\$ 1,237</u></u>	<u><u>-</u></u>
Share of other comprehensive (loss) income of associates accounted for using equity method:		
Change in foreign currency exchange from associates	\$ (221)	425
Share of other comprehensive (loss) income from associates	<u><u>\$ (221)</u></u>	<u><u>425</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(aa) Financial instruments

(i) Category of financial instruments

1) Financial Assets

	September 30, 2025	December 31, 2024	September 30, 2024
Cash and cash equivalents	\$ 3,033,941	4,416,806	3,878,990
Financial assets at fair value through profit or loss (current and non-current)	1,944,082	1,300,131	914,728
Notes receivable, accounts receivable and other receivables (including related parties)	2,995,255	2,936,976	3,306,848
Finance lease payment receivable (current and non-current)	46,910	81,021	87,735
Financial assets at fair value through other comprehensive income - non-current	164,847	179,057	122,451
Refundable deposits and other current assets	<u>214,340</u>	<u>602,015</u>	<u>1,019,573</u>
	<u><b>\$ 8,399,375</b></u>	<u><b>9,516,006</b></u>	<u><b>9,330,325</b></u>

2) Financial liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Financial liabilities at fair value through profit or loss - current	\$ 8,063	4,402	29,849
Notes payable, accounts payable and other payables (including related parties)	3,167,868	3,013,010	2,960,118
Long-term borrowings (including borrowings due within one year)	453,849	528,881	559,419
Lease liability (current and non- current)	276,049	343,593	391,065
Guarantee deposits received	<u>50,966</u>	<u>69,430</u>	<u>80,395</u>
	<u><b>\$ 3,956,795</b></u>	<u><b>3,959,316</b></u>	<u><b>4,020,846</b></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(ii) Credit risk**

Exposure to credit risk:

The carrying amount of financial assets represents the maximum amount exposed to credit risk. As of September 30, 2025, December 31, 2024, and September 30, 2024, the maximum exposure to credit risk has amounted to \$8,399,375 thousand, \$9,516,006 thousand and \$9,330,325 thousand, respectively.

**(iii) Liquidity risk**

The following table shows the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements.

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within six months</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over five years</b>
<b>September 30, 2025</b>							
Non-derivative financial liabilities							
Accounts payable	\$ 1,914,984	1,914,984	1,914,984	-	-	-	-
Accounts payable to related parties	223,141	223,141	223,141	-	-	-	-
Other payables	1,029,743	1,029,743	1,029,743	-	-	-	-
Lease liability	276,049	318,884	82,126	61,592	75,202	85,085	14,879
Guarantee deposits received	50,966	50,966	50,966	-	-	-	-
Long-term borrowings (including borrowings due within one year)	453,849	496,393	28,960	28,691	56,579	195,059	187,104
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 4,065	705,243	705,243	-	-	-	-
Inflow	-	701,735	701,735	-	-	-	-
Forward foreign exchange contracts							
Outflow	3,998	237,051	237,051	-	-	-	-
Inflow	-	233,291	233,291	-	-	-	-
	<b>\$ 3,956,795</b>	<b>5,911,431</b>	<b>5,207,240</b>	<b>90,283</b>	<b>131,781</b>	<b>280,144</b>	<b>201,983</b>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	Carrying amount	Contractual cash flows	Within six months	6-12 months	1-2 years	2-5 years	Over five years
<b>December 31, 2024</b>							
Non-derivative financial liabilities							
Notes payable	\$ 575	575	575	-	-	-	-
Accounts payable	1,833,852	1,833,852	1,833,852	-	-	-	-
Accounts payable to related parties	183,654	183,654	183,654	-	-	-	-
Other payables	994,929	994,929	994,929	-	-	-	-
Lease liability	343,593	363,776	92,128	83,722	109,109	60,989	17,828
Guarantee deposits received	69,430	69,430	69,430	-	-	-	-
Long-term borrowings (including borrowings due within one year)	528,881	579,545	66,611	31,053	57,384	182,572	241,925
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 3,223	451,284	451,284	-	-	-	-
Inflow	-	445,682	445,682	-	-	-	-
Forward foreign exchange contracts							
Outflow	1,179	115,644	115,644	-	-	-	-
Inflow	-	115,704	115,704	-	-	-	-
	<b>\$ 3,959,316</b>	<b>5,154,075</b>	<b>4,369,493</b>	<b>114,775</b>	<b>166,493</b>	<b>243,561</b>	<b>259,753</b>
<b>September 30, 2024</b>							
Non-derivative financial liabilities							
Notes payable	\$ 15	15	15	-	-	-	-
Accounts payable	1,821,597	1,821,597	1,821,597	-	-	-	-
Accounts payable to related parties	184,210	184,210	184,210	-	-	-	-
Other payables	954,296	954,296	954,296	-	-	-	-
Lease liability	391,065	413,496	99,168	89,057	132,937	71,959	20,375
Guarantee deposits received	80,395	80,395	80,395	-	-	-	-
Long-term borrowings (including borrowings due within one year)	559,419	613,054	66,883	49,778	57,652	178,352	260,389
Derivative financial liabilities							
Cross currency swaps							
Outflow	\$ 20,803	2,071,240	2,071,240	-	-	-	-
Inflow	-	2,050,620	2,050,620	-	-	-	-
Forward foreign exchange contracts							
Outflow	9,046	406,648	406,648	-	-	-	-
Inflow	-	401,770	401,770	-	-	-	-
	<b>\$ 4,020,846</b>	<b>8,997,341</b>	<b>8,136,842</b>	<b>138,835</b>	<b>190,589</b>	<b>250,311</b>	<b>280,764</b>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The Consolidated Company does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

**(iv) Currency risk**

1) The Consolidated Company'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									
<b>Financial assets (note):</b>																		
Monetary items:																		
CLP	\$ 61,892	0.03	1,962	150,579	0.03	4,975	142,227	0.04	5,023									
JPY	1,035,363	0.21	213,418	947,810	0.21	197,534	1,034,652	0.22	228,112									
EUR	30,154	35.75	1,078,100	32,310	33.95	1,097,053	31,742	35.24	1,118,477									
USD	153,469	30.47	4,676,200	174,071	32.78	5,706,210	177,884	31.65	5,630,199									
BRL	5,567	5.73	31,891	5,564	5.29	29,455	5,567	5.81	32,340									
AUD	2,360	20.14	47,533	2,818	20.29	57,164	4,132	21.87	90,380									
IDR	5,978,996	0.0018	10,918	752,323	0.0020	1,533	1,611,825	0.0021	3,371									
PEN	292	8.72	2,546	-	-	-	-	-	-									
	\$ <u>6,062,568</u>			<u>7,093,924</u>			<u>7,107,902</u>											
Non-monetary items:																		
USD	\$ 22,199	30.47	<u>676,399</u>	22,831	32.78	<u>748,429</u>	14,164	31.65	<u>448,294</u>									
Derivative instruments:																		
AUD	-	-	-	23	20.29	471	-	-	-									
USD	61	30.47	1,849	68	32.78	2,243	-	-	-									
BRL	-	-	-	214	5.29	1,131	-	-	-									
JPY	34,833	0.21	7,180	48,745	0.21	10,159	5,452	0.22	1,202									
CNY	353	4.28	1,509	550	4.56	2,509	425	4.51	1,919									
KRW	19,888	0.03	535	67,732	0.03	1,822	-	-	-									
EUR	22	35.75	771	104	33.95	3,538	1	35.24	48									
INR	428	0.34	147	640	0.38	245	98	0.38	37									
	\$ <u>11,991</u>			<u>22,118</u>			<u>3,206</u>											
<b>Financial liabilities (note):</b>																		
Monetary items:																		
JPY	\$ 3,864,628	0.21	796,611	3,130,208	0.21	652,370	3,137,393	0.22	691,709									
EUR	10,049	35.75	359,277	11,998	33.95	407,388	11,655	35.24	410,680									
BRL	20,654	5.73	118,323	20,663	5.29	109,387	20,637	5.81	119,889									
USD	93,501	30.47	2,848,952	96,979	32.78	3,179,079	100,644	31.65	3,185,468									
CLP	118,341	0.03	3,751	129,173	0.03	4,268	129,641	0.04	4,578									
AUD	1,394	20.14	28,087	1,472	20.29	29,863	1,905	21.87	41,672									
IDR	6,969,360	0.0018	12,727	66	0.0020	-	13,832	0.0021	29									
PEN	14	8.72	123	-	-	-	-	-	-									
	\$ <u>4,167,851</u>			<u>4,382,355</u>			<u>4,454,025</u>											
Derivative instruments:																		
EUR	\$ 39	35.75	1,402	2	33.95	73	86	35.24	3,033									
CAD	13	21.90	292	14	22.80	313	-	-	-									
JPY	509	0.21	105	13,613	0.21	2,837	48,768	0.22	10,752									
KRW	-	-	-	-	-	-	71,004	0.03	1,910									
BRL	582	5.73	3,334	185	5.29	981	804	5.81	4,669									
USD	75	30.47	2,273	-	-	-	74	31.65	2,334									
INR	-	-	-	-	-	-	16	0.38	6									
CNY	70	4.28	299	43	4.56	198	1,523	4.51	6,869									
AUD	18	20.14	358	-	-	-	13	21.87	276									
	\$ <u>8,063</u>			<u>4,402</u>			<u>29,849</u>											

Note: Disclosure in the consolidated financial statements of the financial assets and liabilities in foreign currency is limited to information on subsidiaries directly held by the Consolidated Company.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Since the Consolidated Company has various functional currencies, the information on foreign currency exchange gains and losses on monetary items is presented on a consolidated basis. The total foreign currency gains and losses, including those realized and unrealized, were a gain of \$10,460 thousand, a gain of \$40,918 thousand, a loss of \$123,455 thousand and a gain of \$58,361 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively.

The Consolidated Company'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, borrowings, accounts payable and other payables that are denominated in foreign currency. A 1.5% of appreciation (depreciation) of each consolidated components currency, other than the functional currency, against the functional currency for the nine months ended September 30, 2025 and 2024 would have increased or decreased the net income after tax by \$30,868 thousand and \$36,861 thousand, respectively, and increased or decreased the equity by \$40 thousand and \$57 thousand, respectively, assuming all other variables were held constant.

(v) Interest rate analysis

For the interest rate exposure of the Consolidated Company's financial assets and liabilities, please refer to the notes on liquidity risk management.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of outstanding liabilities at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.5% when the Consolidated Company reports to management internally, which also represents the Consolidated Company management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.5%, the Consolidated Company's net income after tax would have increased or decreased by \$4,073 thousand and \$2,440 thousand for the nine months ended September 30, 2025 and 2024, respectively, assuming all other variables were held constant.

(vi) Assets and liabilities measured at fair value

1) The information of levels in the fair value hierarchy

The Consolidated Company measures the financial instruments at fair value based on a recurring basis. The level of fair values was as follows:

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**September 30, 2025**

Assets and liabilities	Total	Level 1	Level 2	Level 3
<b>Measured at fair value on recurring basis</b>				
<b>Non-derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 688,111	688,111	-	-
Domestic listed (OTC) stock	84,739	84,739	-	-
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	1,159,241	697,041	-	462,200
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	56,482	18,577	-	37,905
Unlisted stock	7,109	461	-	6,648
Debt instruments:				
Fixed-rate corporate bonds	101,256	-	101,256	-
<b>Derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
	11,991	-	11,991	-
<b>Liabilities:</b>				
Financial liabilities at fair value through profit or loss - current				
	8,063	-	8,063	-

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**December 31, 2024**

Assets and liabilities	Total	Level 1	Level 2	Level 3
<b>Measured at fair value on recurring basis</b>				
<b>Non-derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 745,328	745,328	-	-
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	532,685	90,885	-	441,800
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	72,558	15,963	-	56,595
Unlisted stock	6,481	803	-	5,678
Debt instruments:				
Fixed-rate corporate bonds	100,018	-	100,018	-
<b>Derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
	22,118	-	22,118	-
<b>Liabilities:</b>				
Financial liabilities at fair value through profit or loss - current	4,402	-	4,402	-

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

September 30, 2024

Assets and liabilities	Total	Level 1	Level 2	Level 3
<b>Measured at fair value on recurring basis</b>				
<b>Non-derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
Beneficiary certificates	\$ 444,522	444,522	-	-
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Domestic listed (OTC) stock	467,000	-	-	467,000
Financial assets at fair value through other comprehensive income - non-current				
Equity instruments:				
Domestic listed (OTC) stock	15,500	15,500	-	-
Unlisted stock	6,952	-	-	6,952
Debt instruments:				
Fixed-rate corporate bonds	99,999	-	99,999	-
<b>Derivative instruments</b>				
<b>Assets:</b>				
Financial assets mandatorily measured at fair value through profit or loss - current				
	3,206	-	3,206	-
<b>Liabilities:</b>				
Financial liabilities at fair value through profit or loss - current	29,849	-	29,849	-

2) Valuation techniques for financial instruments measured at fair value

The Consolidated Company measures the fair value of financial instruments that are traded in active markets by a quoted price. Market prices quoted on major exchanges and over-the-counter trading centers for central government bonds judged to be popular, are based on the fair value of listed (OTC) equity instruments and debt instruments with quoted prices in an active market.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. If the above conditions are not met, the market is considered inactive. In general, wide bid-ask spreads, significant increase in bid-ask spreads or low trading volume are all indicators of an inactive market.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Except for the financial instruments with active markets mentioned above, for other financial instruments like private placement of stocks of listed (OTC) companies and domestic bank securities, the fair value is determined by the market quotations and valuation techniques, and also considers the value after liquidity discounts or other valuation techniques which include model calculating with observable market data at the reporting date (such as yield curve from Taipei Exchange).

The Consolidated Company measures the fair value of financial instruments that are traded in inactive markets by category and attribution as follows:

·Unquoted equity instruments : The fair value is estimated using the liquidity discount model (Finnerty model), with the main assumption being based on the market price of the investees. The estimate has been adjusted for the discount impact of the lack of market liquidity in the equity securities.

3) Transfer between Level 1 and Level 2

The common stock of StemCyte International, LTD. (StemCyte) originally classified as Level 3 financial assets measured at fair value through other comprehensive income. From December 2024, it started to list on the Emerging Stock Market and had quoted prices in an active market. Therefore, it reclassified from Level 3 to Level 1.

4) Reconciliation of level 3 fair values

	<b>Non-derivative financial assets mandatorily measured at fair value through profit or loss</b>	<b>Financial assets at fair value through other comprehensive income</b>
Balance at January 1, 2025	\$ 441,800	62,273
Total gains or losses recognized		
Recognized in profit or loss	20,400	-
Recognized in other comprehensive loss	-	(17,720)
Balance at September 30, 2025	<u><u>\$ 462,200</u></u>	<u><u>44,553</u></u>
Balance at January 1, 2024	\$ 254,100	3,679
Total gains or losses recognized		
Recognized in profit or loss	212,900	-
Recognized in other comprehensive income	-	1,854
Reclassification	-	1,419
Balance at September 30, 2024	<u><u>\$ 467,000</u></u>	<u><u>6,952</u></u>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

As of September 30, 2025 and 2024, the Consolidated Company still held the following assets related to the total gains or losses described above, which were reported in “other gains and losses” and “unrealized gains and losses on financial assets at fair value through other comprehensive income” showed below:

	<b>For the three months ended September 30,</b>	<b>For the nine months ended September 30,</b>		
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Total gains or losses recognized:				
In profit or loss, and reported in “other gains and losses”	\$ 15,500	2,700	20,400	212,900
In other comprehensive income (loss) , and reported in “ unrealized gains and losses on financial assets at fair value through other comprehensive income”	\$ 3,022	1,046	(17,720)	1,854

5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Consolidated Company’s financial instruments that use Level 3 inputs to measure fair value include “financial assets mandatorily measured at fair value through profit or loss – equity securities investments” and “financial assets at fair value through other comprehensive income – equity securities investments”.

Most of the Consolidated Company's financial assets with fair value classified as Level 3 have only a single significant unobservable input, and only equity instrument investments without active markets have multiple significant unobservable inputs. The significant unobservable inputs of equity instrument investments without active markets are independent of each other, therefore, there is no correlation between them.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets mandatorily measured at fair value through profit or loss - equity instrument investments	<p>·The fair value is determined by the market approach and considered the liquidity discount model (Finnerty model) on September 30, 2025, December 31, 2024, and September 30, 2024.</p>	<p>·Lack of market liquidity discount (10.24% on September 30, 2025, 18.18% on December 31, 2024, and 20.85% on September 30, 2024.)</p>	·The higher the market liquidity discount lacks, the lower the fair value is.
Financial assets at fair value through other comprehensive income - equity instrument investments without an active market	<p>·The fair value is determined by the market approach and considered the liquidity discount model (Finnerty model) on September 30, 2025, and December 31, 2024.</p>	<p>·Lack of market liquidity discount (both 15.75% on September 30, 2025, and December 31, 2024)</p>	·The higher the market liquidity discount lacks, the lower the fair value is.
Financial assets at fair value through other comprehensive income - equity instrument investments without an active market	Net Asset Value Method	Net Asset Value	Not applicable

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

6) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The fair value measurement of financial instruments by the Consolidated Company is reasonable, but the use of different evaluation models or parameters may result in different evaluation results. For financial instruments classified as Level 3, if the evaluation parameters change, the impact on the current period's profit or loss is as follows:

	Inputs	Upward or downward movement	Changes in fair value through the current period's profit or loss	
			Favorable	Unfavorable
<b>September 30, 2025</b>				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>25,750</u>	<u>(25,750)</u>
Financial assets at fair value through other comprehensive income	Lack of market liquidity discount	5%	\$ <u>2,249</u>	<u>(2,249)</u>
<b>December 31, 2024</b>				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>27,000</u>	<u>(27,000)</u>
Financial assets at fair value through other comprehensive income	Lack of market liquidity discount	5%	\$ <u>3,308</u>	<u>(3,308)</u>
<b>September 30, 2024</b>				
Financial assets mandatorily measured at fair value through profit or loss	Lack of market liquidity discount	5%	\$ <u>29,500</u>	<u>(29,500)</u>

(vii) Assets and liabilities not measured at fair value

1) Information of fair value

Except for those listed in the below table, the carrying amounts of the Consolidated Company's financial instruments not measured at fair value, including cash and cash equivalents, notes receivable, accounts receivable/payable and other receivables/payables, approximate their fair values. Therefore, their fair values are not disclosed. Moreover, lease liabilities are not required to disclose fair value information according to the regulation.

	September 30, 2025		December 31, 2024		September 30, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-financial assets:						
Investment property	\$ <u>37,390</u>	<u>75,472</u>	<u>37,687</u>	<u>83,626</u>	<u>37,786</u>	<u>80,930</u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<b>September 30, 2025</b>				
<b>Assets and liabilities</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Non-financial assets:</b>				
Investment property	\$ 75,472	-	-	75,472
<b>December 31, 2024</b>				
<b>Assets and liabilities</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Non-financial assets:</b>				
Investment property	\$ 83,626	-	-	83,626
<b>September 30, 2024</b>				
<b>Assets and liabilities</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Non-financial assets:</b>				
Investment property	\$ 80,930	-	-	80,930

2) Valuation techniques

The methods and assumptions used by the Consolidated Company's financial instruments not measured at fair value were as follows:

- a) The carrying amount of cash and cash equivalents and other financial instruments that approximate their fair value due to their short maturities or similar to the future receipt and payment price.
- b) The fair value of investment property that was based on the comparable deal information with similar location and category.

(ab) Financial risk management

The objective and policies of the Consolidated Company's financial risk management were not materially different from those disclosed in note 6(ac) of the consolidated financial statements for the year ended December 31, 2024.

(ac) Capital management

The Consolidated Company's fundamental management objective is to maintain a strong capital base. Capital consists of ordinary shares, capital surplus, retained earnings and other equities. The Board of Directors monitors the capital structure regularly and selects the optimal capital structure by considering the capital scale, overall operating environment, operating characteristics of the industry in order to support future development of the business. The current aim for debt-to-equity ratio is set within 100%. As of the reporting date, the debt-to-equity ratio is considered appropriate.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Debt-to-equity ratio:

	September 30, 2025	December 31, 2024	September 30, 2024
Total liabilities	\$ 4,959,350	4,990,410	5,187,371
Less: cash and cash equivalents	<u>(3,033,941)</u>	<u>(4,416,806)</u>	<u>(3,878,990)</u>
Net debt	<u><u>\$ 1,925,409</u></u>	<u><u>573,604</u></u>	<u><u>1,308,381</u></u>
Total equity	<u><u>\$ 10,849,649</u></u>	<u><u>11,500,155</u></u>	<u><u>11,531,956</u></u>
Debt-to-equity ratio	<u><u>17.75%</u></u>	<u><u>4.99%</u></u>	<u><u>11.35%</u></u>

As of September 30, 2025, the methods of the Consolidated Company's capital management remained unchanged.

(ad) Investing and financing activities not affecting current cash flow

Information of non-cash-traded investing and financing activities for the nine months ended September 30, 2025 and 2024, were as follows:

- (i) For acquisition of right-of-use assets through leases, please refer to note 6(i).
- (ii) The reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025		Non-cash changes			September 30, 2025
			Cash flows	Exchange	Fair value changes	
Long-term borrowings (including borrowings due within one year)	\$ 528,881	(75,032)	-	-	-	453,849
Lease liabilities	343,593	(168,827)	-	-	101,283	276,049
Others	<u>69,430</u>	<u>(18,464)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,966</u>
Total liabilities from financing activities	<u><u>\$ 941,904</u></u>	<u><u>(262,323)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>101,283</u></u>	<u><u>780,864</u></u>
	January 1, 2024		Non-cash changes			September 30, 2024
			Cash flows	Exchange	Fair value changes	
Long-term borrowings (including borrowings due within one year)	\$ 651,032	(91,613)	-	-	-	559,419
Lease liabilities	454,808	(153,882)	-	-	90,139	391,065
Others	<u>68,337</u>	<u>12,058</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,395</u>
Total liabilities from financing activities	<u><u>\$ 1,174,177</u></u>	<u><u>(233,437)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>90,139</u></u>	<u><u>1,030,879</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related-party transactions:**

(a) Names and relationship with related parties

The followings are entities that have transactions with related party during the periods covered in the consolidated financial statement:

<b>Name of related party</b>	<b>Relationship with the Consolidated Company</b>
T-COM, LLC (T-COM)	An associate
Sapiro Technology Inc.	Other related party
Amigo Technology Inc.(Amigo)	Other related party
Amit Wireless Inc. (Amit)	Other related party
E-Sheng Steel Co., Ltd. (E-Sheng)	Other related party
TSG Hawks Baseball Co., Ltd.	Other related party
TSG Sports Marketing Co., Ltd.	Other related party
Gloria Material Technology Corp. (GMTC)	Other related party
Jia Jie Biomedical	Other related party
TSG TRANSPORT CORP.	Other related party
TSG Royalty Eagle Social Welfare Charitable Foundation	Other related party
United Fiber Optic Communication Inc. (UFOC)	Other related party
Advanced Communication Technology & Solutions Corporation	Other related party (Dissolution after merging with the parent company, UFOC, on December 1, 2024)
NewSoft Technology Corporation	Other related party
Yung-Fu Co., Ltd.	Other related party
TSG Star Travel Corp.	Other related party
Kuei Tien Cultural & Creative Entertainment Co., Ltd.	Other related party
Kuei Tien Creative Co., Ltd.	Other related party
HOME-CHAIN FOODS, LTD.	Other related party
YangMingShan Tien Lai Resort & Spa Co., Ltd.	Other related party
E-Top Metal Co., Ltd. (E-Top)	Other related party
TMP	Other related party
S-Tech	Other related party
King House	Other related party

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Significant related party transactions

(i) Sales and service revenue

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Associates	\$ 546	294	5,639	4,697
Other related parties	239	734	805	2,796
	<b><u>\$ 785</u></b>	<b><u>1,028</u></b>	<b><u>6,444</u></b>	<b><u>7,493</u></b>

The average credit terms extended to related parties and third-party customers were approximately 30-90 days. However, credit terms to related parties might be further extended when necessary.

(ii) Purchases

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Other related parties:				
Amigo	\$ 166,510	166,485	524,707	456,683
Others	31,493	5,110	72,343	6,459
	<b><u>\$ 198,003</u></b>	<b><u>171,595</u></b>	<b><u>597,050</u></b>	<b><u>463,142</u></b>

The payment term of related parties was 30-90 days. There were no significant differences in payment terms between related parties and third-party suppliers.

(iii) Receivables from related parties

Account	Relationship	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable	Associates	\$ 489	381	54
Accounts receivable	Other related parties — Others	416	50	899
Other receivables	Other related parties — Others	857	483	674
		<b><u>\$ 1,762</u></b>	<b><u>914</u></b>	<b><u>1,627</u></b>

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iv) Other current assets

<b>Account</b>	<b>Relationship</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Prepayment for purchase	Other related parties — Amigo	\$ -	9,147	15,229
Prepayment for purchase	Other related parties — Amit	5,542	-	-
Other current assets	Other related parties	<hr/> - <hr/>	2,160	<hr/> - <hr/>
		<b>\$ 5,542</b>	<b>11,307</b>	<b>15,229</b>

(v) Payables to related parties

<b>Account</b>	<b>Relationship</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Accounts payable	Other related parties — Amigo	\$ 186,256	163,142	179,057
Accounts payable	Other related parties — Others	36,885	20,512	5,153
Other payables	Other related parties	<hr/> 1,406 <hr/>	16,937	9,995
		<b>\$ 224,547</b>	<b>200,591</b>	<b>194,205</b>

The Consolidated Company's other payables to other related parties included equipment payables and others.

(vi) Property transaction

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Other related parties:</b>				
Amigo	\$ -	2,107	10,431	2,430
Amit	<hr/> 2,680 <hr/>	(45)	6,291	45
	<b>\$ 2,680</b>	<b>2,152</b>	<b>16,722</b>	<b>2,475</b>

The Consolidated Company purchased mold equipment and acquired intangible assets from the related parties.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(vii) Services purchased from related parties and expenses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Other related parties	<u>\$ 9,726</u>	<u>15,070</u>	<u>37,805</u>	<u>32,870</u>

(viii) Other income and expenses

		For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Other gains and losses	Other related parties	<u>\$ 3,317</u>	<u>-</u>	<u>5,098</u>	<u>430</u>

(ix) Lease

		For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Rent Income	Other related parties – Amigo	\$ 744	960	2,233	2,880
Rent Income	Other related parties – UFOC	681	1,751	2,042	3,395
Rent Income	Other related parties – Others	<u>-</u>	<u>5</u>	<u>-</u>	<u>17</u>
		<u>\$ 1,425</u>	<u>2,716</u>	<u>4,275</u>	<u>6,292</u>

The Consolidated Company's rental contracts as the lessor with the related parties are referenced to the market conditions of office rentals in the vicinity, and the rent is collected on a monthly basis.

As of September 30, 2025, except for \$307 thousand of UFOC had been accounted for other receivables, the aforementioned rental had been fully collected.

(x) Collection and payment on behalf of related party

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
E-Sheng	\$ 101,948	-	457,666	-
E-Top	<u>29,102</u>	<u>-</u>	<u>168,637</u>	<u>-</u>
	<u>\$ 131,050</u>	<u>-</u>	<u>626,303</u>	<u>-</u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The balance of collection and payment on behalf of related party was zero as of September 30, 2025.

**(xi) Financial Instruments**

For details regarding the shares held by the Consolidated Company in other related parties, please refer to notes 6(b) and 13(a).

**(c) Key management personnel compensation**

Key management personnel compensation comprised:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 7,677	9,203	23,582	25,998
Post-employee benefits	130	165	427	485
Share-based payments	<u>712</u>	<u>822</u>	<u>2,575</u>	<u>3,810</u>
	<u><b>\$ 8,519</b></u>	<u><b>10,190</b></u>	<u><b>26,584</b></u>	<u><b>30,293</b></u>

**(8) Pledged assets:**

The Consolidated Company's carrying amounts of pledged assets were as follows:

<b>Pledged assets</b>	<b>Object</b>	<b>September 30,</b>		<b>December 31,</b>		<b>September 30,</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Other current assets and other non-current assets	Rental deposits, performance bond and time deposits	\$ 63,521		111,241		115,545	
Property, plant, and equipment-land	Long-term bank borrowings	346,639		346,639		346,639	
Property, plant, and equipment-buildings	Long-term bank borrowings	<u>874,969</u>		<u>898,198</u>		<u>905,942</u>	
		<u><b>\$ 1,285,129</b></u>		<u><b>1,356,078</b></u>		<u><b>1,368,126</b></u>	

**(9) Significant contingent liabilities and unrecognized commitments:**

- (a) The Consolidated Company's subsidiary, D-Link Brazil, had disputes regarding prior year's insufficient invoices attached to sales return with the local tax authorities, and had filed litigation. D-Link Brazil had accrued possible tax, interest and penalty.
- (b) The Consolidated Company's subsidiary, D-Link India, had disputes regarding prior year's declaration tax on customs with the local tax authorities. Based on its evaluation, the Consolidated Company believes the above litigation will not have any significant impact on its current operations.

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) Integral Wireless Technologies LLC filed a lawsuit against the Company in 2025, alleging that some of D-Link's products have infringed its patents. The Company has appointed attorneys to conduct defense. Based on its evaluation, the Consolidated Company believes the above litigation will not have any significant impact on its current operations.
- (d) Estelgia, LLC filed a lawsuit against the Company and requested an investigation from the ITC in 2025, alleging that some of D-Link's products infringed its patents. The Company has appointed attorneys to conduct defense. Based on its evaluation, the Consolidated Company believes the above litigation will not have any significant impact on its current operations.
- (e) Velocity Communications Technologies, LLC filed a lawsuit against the Company in 2025, alleging that some of D-Link's products have infringed its patents. The Company has appointed attorneys to conduct defense. Based on its evaluation, the Consolidated Company believes the above litigation will not have any significant impact on its current operations.
- (f) As of September 30, 2025, Cameo's unfulfilled purchase commitment of \$266,660 thousand, which is deemed an irrevocable quantity purchase agreement, was calculated based on the purchase price at the time of order. However, the actual transaction price will be renegotiated upon delivery.
- (g) In addition to the abovementioned lawsuits, the Consolidated Company is currently under negotiations with a number of companies regarding the royalty on patents and the amount of liabilities is not significant or unclear. The Consolidated Company has accrued the possible expense.

**(10) Losses Due to Major Disasters: None.**

**(11) Subsequent Events: None.**

**(12) Other:**

- (a) The information on employee benefits, depreciation, and amortization expenses by function was summarized as follows:

By item By function	For the three months ended September 30,					
	2025			2024		
	Cost of Goods Sold	Operating Expense	Total	Cost of Goods Sold	Operating Expense	Total
Employee benefits						
Salaries	54,882	449,604	504,486	49,719	487,147	536,866
Labor and health insurance	4,726	23,127	27,853	4,035	27,278	31,313
Pension	3,239	26,447	29,686	2,979	26,982	29,961
Others	5,357	48,320	53,677	5,626	52,595	58,221
Depreciation	15,270	50,297	65,567	18,963	57,456	76,419
Amortization	5	14,972	14,977	8	11,572	11,580

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

By item	By function	For the nine months ended September 30,				
		2025			2024	
		Cost of Goods Sold	Operating Expense	Total	Cost of Goods Sold	Operating Expense
Employee benefits						
Salaries		159,846	1,331,267	1,491,113	148,933	1,480,525
Labor and health insurance		13,602	76,703	90,305	12,194	83,108
Pension		9,690	83,458	93,148	9,035	82,872
Others		17,104	155,690	172,794	16,721	164,006
Depreciation		52,360	150,500	202,860	59,732	171,023
Amortization		43	42,948	42,991	26	33,231
						33,257

(b) Seasonality of operations

The Consolidated Company's operations are not affected by seasonal or cyclical factors.

## D-LINK CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (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 Consolidated Company:

##### (i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period (%)	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (Note)	Maximum limit of fund financing (Note)
													Item	Value		
0	D-Link Corporation	D-Link Europe	Accounts receivable-related parties	Yes	31,748	-	-	4.25	2	-	Convert from Account receivables to loan receivable	-	-	-	3,361,683	3,361,683
0	D-Link Corporation	D-Link Europe	Accounts receivable-related parties	Yes	105,491	-	-	3.50	2	-	Convert from Account receivables to loan receivable	-	-	-	3,361,683	3,361,683
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	134,832	-	-	3.55	2	-	Operating Capital	-	-	-	1,460,207	1,460,207
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	256,824	128,412	128,412	3.20	2	-	Operating Capital	-	-	-	1,460,207	1,460,207
1	D-Link International	D-Link Shanghai	Accounts receivable-related parties	Yes	357,564	357,564	357,564	-	2	-	Convert from Account receivables to loan receivable	-	-	-	1,460,207	1,460,207
1	D-Link International	D-Link Corporation	Accounts receivable-related parties	Yes	379,277	379,277	379,277	0.77	2	-	Operating Capital	-	-	-	1,460,207	1,460,207
2	D-Link Capital Investment	D-Link Corporation	Accounts receivable-related parties	Yes	746,515	319,935	319,935	-	2	-	Operating Capital	-	-	-	335,904	335,904
3	D-Link Japan	D-Link Corporation	Accounts receivable-related parties	Yes	164,903	164,903	164,903	0.55	2	-	Operating Capital	-	-	-	613,986	613,986
3	D-Link Japan	D-Link Corporation	Accounts receivable-related parties	Yes	206,129	206,129	206,129	0.77	2	-	Operating Capital	-	-	-	613,986	613,986
4	D-Link Deutschland	D-Link Europe	Accounts receivable-related parties	Yes	110,836	110,836	110,836	3.50	2	-	Operating Capital	-	-	-	114,530	114,530

Note 1: Purpose of fund financing for the borrower:

1. For those companies with business transaction with the Company, please fill in 1.
2. For those companies with short-term financing needs, please fill in 2.

Note 2 : Total amount of loans from the Company to D-Link Europe shall not exceed 40% of the net worth of the Company.

Note 3 : Total amount of loans from D-Link International to the Company and the Company's 100% directly or indirectly owned overseas subsidiaries shall not exceed 100% of the net worth of D-Link International. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 4 : Total amount of loans from D-Link Capital Investment to the Company shall not exceed 100% of the net worth of D-Link Capital Investment. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 5 : Total amount of loans from D-Link Japan to the Company shall not exceed 100% of the net worth of D-Link Japan. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 6 : Total amount of loans from D-Link Deutschland to the Company's 100% directly or indirectly owned overseas subsidiaries shall not exceed 100% of the net worth of D-Link Deutschland. The ending amount and funding loan limits are calculated by the unaudited balance.

Note 7 : The transactions of the subsidiaries had been eliminated in the consolidated financial statements.

(Continued)

## D-LINK CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements amount	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/guarantees to third parties on behalf of parent company	Endorsements/guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	D-Link Corporation	D-Link Europe	2	2,007,574	133,218	133,218	6,009	-	1.59 %	6,022,721	Y	N	N
0	D-Link Corporation	D-Link Shanghai	2	2,007,574	152,350	152,350	41,051	-	1.81 %	6,022,721	Y	N	Y

Note 1: The endorsement and guarantee amount for a single company shall not exceed 1/3 of the Company's capital.

Note 2: The total amount of endorsement and guarantee shall not exceed the Company's capital.

Note 3: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into following categories:

1. Having business relationship.
2. The Company owns more than 50% equity shares in the entity, directly or indirectly.
3. An entity owns more than 50% equity shares in the Company, directly or indirectly.

Note 4: The amounts in New Taiwan Dollars were translated at the exchange rates at the balance sheet date.

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

(In Thousands of New Taiwan Dollars/shares)

Name of holder	Category and name of security	Relationship with company	Account name	Ending balance				Note
				Shares/Units	carrying amount	Percentage of ownership (%)	Fair value	
D-Link Corporation	King House	Other related party	Financial assets at fair value through profit or loss-non-current	5,000,000	231,100	2.96 %	231,100	
D-Link Corporation	S-Tech	Other related party	Financial assets at fair value through profit or loss-non-current	1,687,000	44,537	0.73 %	44,537	
D-Link Corporation	IBF	None	Financial assets at fair value through profit or loss-non-current	21,149,043	325,695	0.58 %	325,695	
D-Link Corporation	GMTC	Other related party	Financial assets at fair value through profit or loss-current	1,414,000	50,621	0.23 %	50,621	
D-Link Corporation	DataVan	Other related party	Financial assets at fair value through other comprehensive income-non-current	3,500,000	37,905	2.73 %	37,905	
D-Link India	ICICI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	507,681	68,979	- %	68,979	
D-Link India	ADITYA BIRLA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	464,751	68,902	- %	68,902	
D-Link India	NIPPON INDIA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	15,350	34,492	- %	34,492	
D-Link India	TATA MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	48,185	68,971	- %	68,971	
D-Link India	SBI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	48,111	69,050	- %	69,050	
D-Link India	DSP MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	40,175	52,126	- %	52,126	
D-Link India	HDFC MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	28,921	52,137	- %	52,137	
D-Link India	UTI MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	34,594	52,058	- %	52,058	
D-Link India	AXIS MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	68,002	68,816	- %	68,816	
D-Link India	HSBC LIQUID FUND	None	Financial assets at fair value through profit or loss-current	76,202	69,046	- %	69,046	
D-Link India	KOTAK MUTUAL FUND	None	Financial assets at fair value through profit or loss-current	27,979	51,898	- %	51,898	
Cameo	King House	Other related party	Financial assets at fair value through profit or loss-non-current	5,000,000	231,100	2.96 %	231,100	
Cameo	S-Tech	Other related party	Financial assets at fair value through profit or loss-non-current	1,232,000	32,525	0.53 %	32,525	
Cameo	IBF	None	Financial assets at fair value through profit or loss-non-current	16,261,689	250,430	0.45 %	250,430	

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of holder	Category and name of security	Relationship with company	Account name	Ending balance				Note
				Shares/Units	carrying amount	Percentage of ownership (%)	Fair value	
Cameo	Domestic bank green bonds-P13 Taipei Fubon Bank 3	None	Financial assets at fair value through other comprehensive income-non-current	-	101,256	- %	101,256	Each bond has a denomination of \$10,000 thousand, with 10 bonds in total.
Qianjin Investment	D-Link Corporation	Parent company	Treasury shares	5,434,069	94,825	0.90 %	94,825	

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

Name of company	Related party	Nature of relationship	Transaction details			Transactions with terms different from others		Notes/Accounts receivable (payable)	Percentage of total notes/accounts receivable (payable)	Note
			Purchase/ (Sales)	Amount	Percentage of total Purchases/ (Sales)	Payment terms	Unit price	Payment terms		
D-Link Corporation	D-Link International	Subsidiary	(Sales and service revenue)	(206,952)	(5) %	60 Days	—	—	25,469	2%
D-Link Corporation	D-Link Systems	Subsidiary	(Sales and service revenue)	(429,391)	(11) %	60 Days	—	—	223,826	15%
D-Link Corporation	D-Link Europe	Subsidiary	(Sales and service revenue)	(739,779)	(19) %	60 Days	—	—	565,992	37%
D-Link Corporation	D-Link ME	Subsidiary	(Sales and service revenue)	(955,770)	(25) %	60 Days	—	—	386,575	25%
D-Link Corporation	D-Link Japan	Subsidiary	(Sales and service revenue)	(313,809)	(8) %	60 Days	—	—	29,755	2%
D-Link Corporation	D-Link India	Subsidiary	(Sales and service revenue)	(705,470)	(18) %	45 Days	—	—	108,511	7%
D-Link Corporation	Cameo	Subsidiary	Purchase	914,243	27 %	90 Days	—	—	(363,277)	(31)%
D-Link Corporation	Amigo	Other related party	Purchase	394,994	12 %	90 Days	—	—	(145,781)	(12)%
D-Link International	D-Link Corporation	Parent company	Purchase	203,109	58 %	60 Days	—	—	(25,469)	(3)%
D-Link Systems	D-Link Corporation	Parent company	Purchase	427,197	94 %	60 Days	—	—	(223,826)	(55)%
D-Link Europe	D-Link Corporation	Parent company	Purchase	732,041	98 %	60 Days	—	—	(565,992)	(89)%
D-Link ME	D-Link Corporation	Parent company	Purchase	953,472	66 %	60 Days	—	—	(386,575)	(79)%
D-Link Japan	D-Link Corporation	Parent company	Purchase	273,177	82 %	60 Days	—	—	(29,755)	(89)%
D-Link India	D-Link Corporation	Parent company	Purchase	648,277	17 %	45 Days	—	—	(108,511)	(18)%
D-Link Trade	D-Link Shanghai	The ultimate parent company is D-Link Corporation	Purchase	532,642	99 %	120 Days	—	—	(396,445)	(88)%
Cameo	D-Link Shanghai	The ultimate parent company is D-Link Corporation	(Sales)	(152,857)	(11) %	90 Days	—	—	71,854	13%
Cameo	D-Link Corporation	Parent Company	(Sales)	(925,394)	(65) %	90 Days	—	—	367,047	65%
D-Link Shanghai	D-Link Trade	The ultimate parent company is D-Link Corporation	(Sales)	(532,642)	(96) %	120 Days	—	—	396,445	99%
D-Link Shanghai	Cameo	The ultimate parent company is D-Link Corporation	Purchase	152,813	27 %	90 Days	—	—	(72,197)	(18)%
D-Link Shanghai	Amigo	Other related party	Purchase	129,712	23 %	90 Days	—	—	(40,475)	(10)%

Note : The subsidiaries' intercompany transactions had been eliminated in the consolidated financial statements.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue (Note 1)		Amounts received in subsequent period (Note 2)	Allowance for bad debts
					Amount	Action taken		
D-Link Corporation	D-Link Systems	Subsidiary	223,826	3.89	-	-	47,702	-
D-Link Corporation	D-Link Europe	Subsidiary	565,992	1.91	56,574	-	42,942	-
D-Link Corporation	D-Link ME	Subsidiary	386,575	4.84	-	-	121,872	-
D-Link Corporation	D-Link India	Subsidiary	108,511	7.36	7,415	-	52,379	-
D-Link International	D-Link L.A.	The ultimate parent company is D-Link Corporation	633,821	-	633,821	-	-	-
D-Link International	D-Link Brazil	The ultimate parent company is D-Link Corporation	148,319	-	148,319	-	-	-
D-Link Shanghai	D-Link Trade	The ultimate parent company is D-Link Corporation	396,445	1.81	-	-	71,584	-
Cameo	D-Link Corporation	Parent company	367,047	3.88	-	-	140,032	-

Note 1: Over three months during the normal credit period.

Note 2: The amount represents collections subsequent to September 30, 2025 up to October 31, 2025.

Note 3: The transactions had been eliminated in the consolidated financial statements.

(vi) Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	For the nine months ended September 30, 2025			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	D-Link Corporation	D-Link Systems	1	Investments accounted for using equity method	1,190,943	-	8%
0	D-Link Corporation	D-Link International	1	Investments accounted for using equity method	1,353,780	-	9%
0	D-Link Corporation	D-Link Holding	1	Investments accounted for using equity method	1,279,694	-	8%
0	D-Link Corporation	D-Link ME	1	Investments accounted for using equity method	818,618	-	5%
0	D-Link Corporation	D-Link Japan	1	Investments accounted for using equity method	623,424	-	4%
0	D-Link Corporation	Cameo	1	Investments accounted for using equity method	1,485,367	-	9%
0	D-Link Corporation	D-Link Brazil	1	Investments accounted for using equity method-credit	(192,326)	-	(1)%
0	D-Link Corporation	D-Link L.A.	1	Investments accounted for using equity method-credit	(622,679)	-	(4)%
0	D-Link Corporation	D-Link Investment	1	Investments accounted for using equity method	292,139	-	2%
0	D-Link Corporation	D-Link International	1	Sales and service revenue	206,952	60 Days	2%
0	D-Link Corporation	D-Link Systems	1	Sales and service revenue	429,391	60 Days	4%

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

No.	Name of company	Name of counter-party	Nature of relationship	For the nine months ended September 30, 2025			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	D-Link Corporation	D-Link Europe	1	Sales and service revenue	739,779	60 Days	7%
0	D-Link Corporation	D-Link ME	1	Sales and service revenue	955,770	60 Days	10%
0	D-Link Corporation	D-Link Japan	1	Sales and service revenue	313,809	60 Days	3%
0	D-Link Corporation	D-Link India	1	Sales and service revenue	705,470	45 Days	7%
0	D-Link Corporation	D-Link Systems	1	Accounts receivable-related party	223,826	60 Days	1%
0	D-Link Corporation	D-Link Europe	1	Accounts receivable-related party	565,992	60 Days	4%
0	D-Link Corporation	D-Link ME	1	Accounts receivable-related party	386,575	60 Days	2%
1	D-Link Holding	D-Link Mauritius	3	Investments accounted for using equity method	1,192,238	-	8%
2	D-Link International	D-Link L.A.	3	Accounts receivable-related party	633,821	75 Days	4%
2	D-Link International	D-Link Capital Investment	3	Investments accounted for using equity method	335,904	-	2%
2	D-Link International	D-Link Shanghai	3	Investments accounted for using equity method-credit	(162,205)	-	(1)%
3	D-Link Mauritius	D-Link India	3	Investments accounted for using equity method	1,181,985	-	7%
4	D-Link Investment	D-Link Trade	3	Investments accounted for using equity method	292,469	-	2%
5	D-Link Shanghai	D-Link Trade	3	Sales	532,642	120 Days	5%
5	D-Link Shanghai	D-Link Trade	3	Accounts receivable-related party	396,445	120 Days	3%
6	Cameo	D-Link Corporation	2	Accounts receivable-related party	367,047	90 Days	2%
6	Cameo	D-Link Corporation	2	Sales	925,394	90 Days	9%
6	Cameo	D-Link Shanghai	3	Sales	152,857	90 Days	2%

Note 1: Parties to the intercompany transactions are identified and numbered as follows:

1. "0" represents the Company.
2. Subsidiaries are numbered from "1".

Note 2: Nature of relationship are listed as below:

- No. 1 represents the transaction from parent company to subsidiary
- No. 2 represents the transaction from subsidiary to parent company
- No. 3 represents the transaction from subsidiary to subsidiary

Note 3: Intercompany relationships and significant intercompany transactions are disclosed only for the amounts that exceed 1% of consolidated net operating revenues or total assets.

Note 4: The transactions have been eliminated in the consolidated financial statements.

(Continued)

## D-LINK CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

**(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/shares)

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 (Note 1)	Investment income (losses) (Note 1)	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of ownership	carrying amount			
D-Link Corporation	D-Link Systems	USA	Sales and after-sales service in USA	1,672,702	1,672,702	48,045,007	100.00 %	1,190,943	21,937	21,937	
D-Link Corporation	D-Link International	Singapore	Sales and after-sales service in Southeast Asia	868,036	1,941,986	31,500,000	100.00 %	1,353,780	(190,885)	(169,495)	Investment loss included the amounts of transactions between affiliated companies.(Note 3)
D-Link Corporation	D-Link L.A.	Cayman Island	Sales and after-sales service in Latin America	326,600	326,600	41,000	100.00 %	(622,679)	-	-	
D-Link Corporation	D-Link Sudamerica	Chile	Sales and after-sales service in Chile	6,512	6,512	199,999	100.00 %	6,268	414	414	100% shares owned by D-Link Corporation and D-Link Holding.
D-Link Corporation	D-Link Peru	Peru	Sales and after-sales service in Peru	3,318	-	3,499	99.97 %	3,240	(124)	(94)	D-Link Corporation and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025.
D-Link Corporation	D-Link Brazil	Brazil	Sales and after-sales service in Brazil	932,197	932,197	2,964,836,727	100.00 %	(192,326)	23,415	23,415	100% shares owned by D-Link Corporation and D-Link Holding.
D-Link Corporation	D-Link ME	UAE	Sales and after-sales service in Middle East and Africa	103,930	103,930	6	100.00 %	818,618	2,336	2,336	
D-Link Corporation	D-Link Australia	Australia	Sales and after-sales service in Australia and New Zealand	16,764	16,764	1,000,000	100.00 %	44,364	(11,826)	(11,826)	
D-Link Corporation	D-Link Holding	BVI	Investment company	891,177	891,177	27,044,212	100.00 %	1,279,694	134,560	134,560	
D-Link Corporation	D-Link Deutschland	Germany	Sales and after-sales service in Germany	120,047	120,047	(Note 2)	- %	120,047	(51,034)	-	100% shares owned by D-Link Corporation and D-Link Europe. Investment loss was consolidated into D-Link Europe.
D-Link Corporation	D-Link MED	Italy	Sales and after-sales service in Italy	17,395	-	(Note 2)	100.00 %	17,877	(42,385)	-	D-Link Europe conducted a capital reduction of its 100% owned subsidiary, D-Link MED, to offset accumulated losses. It also waives its subscription rights to the newly issued shares. D-Link Corporation subsequently acquired 100% of D-Link MED's equity interests through capital injection and completed the relevant registration on September 26, 2025.
D-Link Corporation	D-Link Indonesia	Indonesia	Sales and after-sales service in Indonesia	5,046	5,046	24,750	99.00 %	1,175	(178)	(178)	100% shares owned by D-Link Corporation and D-Link International.
D-Link Corporation	D-Link Japan	Japan	Sales and after-sales service in Japan	595,310	595,310	9,500	100.00 %	623,424	48,595	48,595	
D-Link Corporation	D-Link Investment	Singapore	Investment company	67,191	67,191	2,200,000	100.00 %	292,139	68,415	68,415	
D-Link Corporation	D-Link Europe	UK.	Sales and after-sales service in Europe	1,260,451	1,260,451	32,497,455	100.00 %	(84,595)	(330,704)	(330,704)	

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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	Investment income (losses) (Note 1)	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of ownership	carrying amount			
D-Link Corporation	D-Link Taiwan Investment	Taiwan	Investment company	146,000	146,000	14,600,000	100.00 %	57,622	1,678	1,678	
D-Link Corporation	Cameo	Taiwan	Manufacturing and sell computer networks system equipment and its components and related technology research and development	1,102,479	1,102,479	137,532,993	41.58 %	1,485,367	(55,229)	(31,567)	Investment loss included the amounts of transactions between affiliated companies.
D-Link Systems	D-Link Canada	Canada	Sales and after-sales service in Canada	159,585	159,585	5,736,000	100.00 %	94,338	80,233	80,233	
D-Link Investment	D-Link Trade	Russia	Sales and after-sales service in Russia	66,538	66,538	(Note 2)	100.00 %	292,469	68,605	68,605	
D-Link Trade	T-COM	Russia	Sales and after-sales service in Russia	12,485	12,485	(Note 2)	40.00 %	(12,027)	(26,063)	(10,042)	Investment loss included the amounts of transactions between affiliated companies.
D-Link International	D-Link Korea	Korea	Sales and after-sales service in Korea	44,300	44,300	330,901	100.00 %	(64,389)	419	419	
D-Link International	D-Link Trade M	Republic of Moldova	Sales and after-sales service in Moldova	13	13	(Note 2)	100.00 %	51	(29)	(29)	
D-Link International	D-Link Capital Investment	BVI	Investment company	352,731	789,757	11,000,000	100.00 %	335,904	(134,045)	(134,045)	(Note 4)
D-Link International	D-Link Malaysia	Malaysia	Sales and after-sales service in Malaysia	6,130	6,130	800,000	100.00 %	9,082	(10)	(10)	
D-Link International	D-Link Lithuania	Lithuania	Sales and after-sales service	3,574	3,574	1,000	100.00 %	7,283	1,789	1,789	
D-Link International	D-Link Kazakhstan	Kazakhstan	Sales and after-sales service in Kazakhstan	171	171	(Note 2)	100.00 %	39	(871)	(871)	
D-Link International	D-Link Indonesia	Indonesia	Sales and after-sales service in Indonesia	52	52	250	1.00 %	49	(178)	-	D-Link Indonesia's investment loss was recognized in D-Link Corporation.
D-Link International	D-Link Peru	Peru	Sales and after-sales service in Peru	1	-	1	0.03 %	1	(124)	-	D-Link Corporation and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025. D-Link Peru's investment loss was recognized in D-Link Corporation.
D-Link Lithuania	D-Link Ukraine	Ukraine	Sales and after-sales service in Ukraine	4,883	4,883	(Note 2)	100.00 %	(939)	(1,206)	(1,206)	
D-Link Holding	OOO D-Link Russia	Russia	After-sales service in Russia	11,309	11,309	(Note 2)	100.00 %	5,507	104	104	
D-Link Holding	D-Link Mauritius	Mauritius	Investment company	186,789	186,789	200,000	100.00 %	1,192,238	137,264	137,264	
D-Link Holding	D-Link Shiang-Hai (Cayman)	Cayman Island	Investment company	-	654,974	-	- %	-	-	-	Liquidation completed in March 2025.
D-Link Holding	Success Stone	BVI	Investment company	297,027	297,027	9,822	100.00 %	152,363	(2,950)	(2,950)	
D-Link Holding	MiiCasa Holding	Cayman Island	Investment company	61,087	61,087	21,000,000	28.98 %	-	-	-	
D-Link Holding	D-Link Brazil	Brazil	Sales and after-sales service in Brazil	-	-	100	- %	-	23,415	-	D-Link Brazil's investment income was recognized in D-Link Corporation.
D-Link Holding	D-Link Sudamerica	Chile	Sales and after-sales service in Chile	-	-	1	- %	-	414	-	D-Link Sudamerica's investment income was recognized in D-Link Corporation.
D-Link Mauritius	D-Link India	India	Sales and after-sales service in India	340,319	340,319	18,114,663	51.02 %	1,181,985	280,320	143,019	
D-Link Mauritius	TeamF1 India	India	Technical services for software and hardware system integration	8	8	1	0.01 %	15	3,342	-	100% shares owned by D-Link Mauritius and D-Link India.
D-Link India	TeamF1 India	India	Technical services for software and hardware system integration	84,114	84,114	10,499	99.99 %	130,528	3,342	3,342	100% shares owned by D-Link Mauritius and D-Link India.

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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 (Note 1)	Investment income (losses) (Note 1)	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of ownership	carrying amount			
D-Link L.A.	D-Link Peru	Peru	Sales and after-sales service in Peru	-	-	-	-%	-	(124)	-	D-Link Corporation and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025.
D-Link Sudamerica	D-Link de Colombia SAS.	Colombia	Sales and after-sales service in Colombia	22,213	22,213	1,443,605	100.00 %	6,696	448	448	
D-Link Sudamerica	D-Link Guatemala S.A.	Guatemala	Sales and after-sales service in Guatemala	410	410	99,000	99.00 %	561	-	-	In liquidation process.
D-Link Sudamerica	D-Link Peru	Peru	Sales and after-sales service in Peru	-	38	-	-%	-	(124)	(30)	D-Link Corporation and D-Link International acquired 99.97% and 0.03% of equity interests in D-Link Peru from D-Link Sudamerica and D-Link L.A., respectively, in April 2025.
D-Link Europe	D-Link Deutschland	Germany	Sales and after-sales service in Germany	131,769	131,769	(Note 2)	100.00 %	114,530	(51,034)	(51,034)	100% shares owned by D-Link Corporation and D-Link Europe.
D-Link Europe	D-Link AB	Sweden	Sales and after-sales service in Sweden	9,022	9,022	15,500	100.00 %	11,881	698	698	
D-Link Europe	D-Link Iberia	Spain	Sales and after-sales service in Spain	1,976	1,976	50,000	100.00 %	36,013	(40,563)	(40,563)	
D-Link Europe	D-Link MED	Italy	Sales and after-sales service in Italy	-	2,177	(Note 2)	- %	-	(42,385)	(42,385)	D-Link Europe conducted a capital reduction of its 100% owned subsidiary, D-Link MED, to offset accumulated losses. It also waives its subscription rights to the newly issued shares. D-Link Corporation subsequently acquired 100% of D-Link MED's equity interests through capital injection and completed the relevant registration on September 26, 2025.
D-Link Europe	D-Link (Holdings) Ltd.	UK	Investment company	-	-	3	100.00 %	-	-	-	In liquidation process.
D-Link Europe	D-Link France	France	Sales and after-sales service in France	5,287	5,287	114,560	100.00 %	19,541	(24,836)	(24,836)	
D-Link Europe	D-Link Netherlands	Netherlands	Sales and after-sales service in Netherlands	2,132	2,132	50,000	100.00 %	5,396	133	133	
D-Link Europe	D-Link Polska	Poland	Sales and after-sales service in Poland	1,210	1,210	100	100.00 %	17,251	(14,600)	(14,600)	
D-Link Europe	D-Link Magyarorszag	Hungary	Sales and after-sales service in Hungary	523	523	300	100.00 %	4,051	(119)	(119)	
D-Link Europe	D-Link s.r.o	Czech	Sales and after-sales service in Czech	329	329	100	100.00 %	3,527	105	105	
D-Link (Holdings) Ltd	D-Link UK	UK	Sales and after-sales service in UK	-	-	300,100	100.00 %	-	-	-	In liquidation process.
Cameo	Huge Castle	Samoa	Investment company	195,403	295,006	6,179,718	100.00 %	133,949	(32,841)	(32,841)	(Note 5)
Cameo	Qianjin Investment	Taiwan	Investment company	270,000	270,000	27,000,000	100.00 %	147,549	7,625	7,625	
Huge Castle	PC	Mauritius	Investment and trading	-	-	-	-%	-	-	-	Liquidation completed in May 2025.
Huge Castle	Luis Jo'se	BVI	Investment company	-	43,673	-	- %	-	(4,886)	(4,886)	Liquidation completed in August 2025.

Note 1: Including recognition of profit (loss) from affiliated companies.

Note 2: Limited Company

Note 3: On February 25 and June 27, 2025, D-Link International reduced its capital in cash by 15,000,000 shares and 20,000,000 shares, respectively, and refunded the capital reduction payment amounting to NT\$490,650 thousand and NT\$583,300 thousand, respectively.

(Continued)

## D-LINK CORPORATION AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 4: On January 16 and May 16, 2025, D-Link Capital Investment reduced its capital in cash by 5,000,000 shares and 9,000,000 shares, respectively, and refunded the capital reduction payment amounting to USD \$5,000 thousand and USD \$9,000 thousand, respectively.

Note 5: Huge Castle conducted a capital reduction to return the shares amounting to USD \$3,150 thousand, at the percentage rate of 33.76%, based on a resolution approved during its board meeting held in August 2025, with the effective date of capital reduction on August 31, 2025. Moreover, the amount of USD \$3,150 thousand had been remitted by Huge Castle to Cameo on September 19, 2025.

Note 6: The transactions have been eliminated in the consolidated financial statements.

**(c) Information on investment in Mainland China:**

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

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 (Note 2)	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
D-Link Shanghai	Buy and sell of networking equipment and wireless system	594,165	(2)	594,165	-	-	594,165	8,165	100.00 %	8,165	(162,205)	-	
Netpro	Research, development and trading business	21,329	(2)	19,881	-	-	19,881	(1,236)	100.00 %	(1,236)	13,642	-	
YouXiang	Technical Service and Import/Export trading business	60,782	(3)	-	-	-	-	(2,384)	9.86 %	-	2,679	-	
Cameo Technology Development (Shenzhen) Co., Ltd.	R&D for communications technology and products	-	(2)	9,842	-	-	9,842	N/A	- %	N/A	-	-	Note 3 : Liquidation completed in March 2012.
Wide View Technology Inc.	R&D, production, and sale of electronic components	-	(2)	20,201	-	(20,201)	-	N/A	- %	N/A	-	2,406	Note 4 : Liquidation completed in September 2018.
Suzhou Soarnex	Software development and software services for computer information systems	22,064	(2)	-	-	-	-	(3,834)	100.00 %	(3,834)	22,121	-	Note 5

Note 1: Method of Investment:

Type 1: Direct investments in Mainland China

Type 2: Indirect investments in Mainland China

Type 3: Others

Note 2: The amounts in New Taiwan Dollars were translated at the exchange rates of USD 30.47 and CNY 4.28 as of September 30, 2025.

Note 3: Cameo Technology Development (Shenzhen) Co., Ltd. completed its liquidation process in March 2012, wherein it refunded the shares amounting to USD \$177 thousand to Huge Castle on November 28, 2013, with the approval of the Investment Commission, Ministry of Economic Affairs (MOEAIC).

Note 4: Wide View Technology Inc. completed its liquidation process in September 2018, wherein it refunded the shares amounting to USD \$663 thousand to Luis Jo'se on September 4, 2018, with the approval of the MOEAIC. Subsequently, the share proceeds had been remitted back to Taiwan in September 2025, with the approval of the MOEAIC on October 9, 2025.

Note 5: Huge Castle acquired 100% equity interests in Suzhou Soarnex from Luis Jo'se in April 2025.

**(ii) Limitation on investment in Mainland China:**

Company Name	Accumulated Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by the MOEAIC	Upper Limit on Investment (Note 1)
D-Link Corporation	614,046	614,046	6,509,789
Cameo	9,842	13,559	1,755,128

Note 1: The maximum cumulative amount of investment in Mainland China by the Company and Cameo is calculated based on 60% of each entity's consolidated net equity.

**(iii) Significant transactions:**

For the nine months ended September 30, 2025, 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".

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information:**

The Consolidated Company has three reportable segments: American markets, European markets, Asian markets and others. Those reportable segments are primarily operated in research, development and selling of computer network, equipments and wireless communication products.

The Consolidated Company's reportable segments are strategic business units that offer geographical products and services.

The Consolidated Company's income tax expenses are not allocated to reportable segment, and operating segment profit (loss) is determined by the profit before tax. The reportable amount is consistent with the report used by the chief operating decision and make a performance evaluation.

The Consolidated Company's operating segment information and reconciliation were as follows:

	<b>For the three months ended September 30, 2025</b>			
	<b>American markets</b>	<b>European markets</b>	<b>Asian markets and others</b>	<b>Adjustments and eliminations</b>
Revenue:				
Third-party customers	\$ 274,409	709,878	2,459,963	-
Inter-company	<u>6,878</u>	<u>4,436</u>	<u>448,878</u>	<u>(460,192)</u>
Total revenue	<u><u>\$ 281,287</u></u>	<u><u>714,314</u></u>	<u><u>2,908,841</u></u>	<u><u>(460,192)</u></u>
Reportable segment profit (loss)	<u><u>\$ 3,173</u></u>	<u><u>(80,256)</u></u>	<u><u>303,718</u></u>	<u><u>(87,081)</u></u>
	<b>For the three months ended September 30, 2024</b>			
	<b>American markets</b>	<b>European markets</b>	<b>Asian markets and others</b>	<b>Adjustments and eliminations</b>
Revenue:				
Third-party customers	\$ 225,706	871,062	2,583,719	-
Inter-company	<u>10,329</u>	<u>30,672</u>	<u>523,955</u>	<u>(564,956)</u>
Total revenue	<u><u>\$ 236,035</u></u>	<u><u>901,734</u></u>	<u><u>3,107,674</u></u>	<u><u>(564,956)</u></u>
Reportable segment (loss) profit	<u><u>\$ (52,442)</u></u>	<u><u>149,060</u></u>	<u><u>539,979</u></u>	<u><u>(374,953)</u></u>

(Continued)

**D-LINK CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**For the nine months ended September 30, 2025**

	<b>American markets</b>	<b>European markets</b>	<b>Asian markets and others</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
<b>Revenue:</b>					
Third-party customers	\$ 773,700	1,969,297	7,188,581	-	9,931,578
Inter-company	<u>23,855</u>	<u>31,642</u>	<u>1,247,673</u>	<u>(1,303,170)</u>	<u>-</u>
Total revenue	<u><u>\$ 797,555</u></u>	<u><u>2,000,939</u></u>	<u><u>8,436,254</u></u>	<u><u>(1,303,170)</u></u>	<u><u>9,931,578</u></u>
Reportable segment profit (loss)	<u><u>\$ 33,990</u></u>	<u><u>(403,362)</u></u>	<u><u>298,386</u></u>	<u><u>32,940</u></u>	<u><u>(38,046)</u></u>

**For the nine months ended September 30, 2024**

	<b>American markets</b>	<b>European markets</b>	<b>Asian markets and others</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
<b>Revenue:</b>					
Third-party customers	\$ 645,747	2,388,539	7,929,760	-	10,964,046
Inter-company	<u>51,357</u>	<u>100,585</u>	<u>926,387</u>	<u>(1,078,329)</u>	<u>-</u>
Total revenue	<u><u>\$ 697,104</u></u>	<u><u>2,489,124</u></u>	<u><u>8,856,147</u></u>	<u><u>(1,078,329)</u></u>	<u><u>10,964,046</u></u>
Reportable segment (loss) profit	<u><u>\$ (196,227)</u></u>	<u><u>(58,157)</u></u>	<u><u>1,016,341</u></u>	<u><u>(363,532)</u></u>	<u><u>398,425</u></u>

	<b>American markets</b>	<b>European markets</b>	<b>Asian markets and others</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
<b>Reportable segment assets:</b>					
September 30, 2025	<u><u>\$ 2,000,865</u></u>	<u><u>2,673,385</u></u>	<u><u>24,742,795</u></u>	<u><u>(13,608,046)</u></u>	<u><u>15,808,999</u></u>
December 31, 2024	<u><u>\$ 2,022,928</u></u>	<u><u>3,508,343</u></u>	<u><u>27,457,825</u></u>	<u><u>(16,498,531)</u></u>	<u><u>16,490,565</u></u>
September 30, 2024	<u><u>\$ 2,189,831</u></u>	<u><u>4,097,323</u></u>	<u><u>26,577,771</u></u>	<u><u>(16,145,598)</u></u>	<u><u>16,719,327</u></u>