Stock Code: 3680

Gudeng Precision Industrial Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the Three Months Ended March 31, 2026 and 2025

Address: 9F-5, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City

Tel: (02)22689141

§Table of Contents§

Independent Auditors' Review Report

To Gudeng Precision Industrial Co., Ltd.:

Introduction

The consolidated balance sheets of Gudeng Precision Industrial Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the three-month periods ended March 31, 2026 and 2025, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies), have been reviewed by the accountant. The preparation of consolidated financial statements that present fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of management. The accountant's responsibility is to express a conclusion on the consolidated financial statements based on the review.

Scope of Review

Except for the matters described in the basis for qualified conclusion section, the accountant conducted the review in accordance with Review Standard No. 2410 "Review of Financial Statements". The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is significantly less than the scope of an audit, and therefore the accountant may not become aware of all significant matters that might be identified in an audit and accordingly cannot express an audit opinion.

Basis for Qualified Conclusion

As described in Note 12 to the consolidated financial statements, the financial statements for the same periods of certain non-material subsidiaries included in the aforementioned consolidated financial statements have not been reviewed by accountants. Their total assets as of March 31, 2026 and 2025 were NT$5,898,641 thousand and NT$3,382,095 thousand, respectively, representing 22.66% and 15.33% of consolidated total assets, respectively; their total liabilities were NT$1,505,345 thousand and NT$956,204 thousand, respectively, representing 11.43% and 8.76% of consolidated total liabilities, respectively; their total comprehensive income for the periods from January 1 to March 31, 2026 and 2025 were NT$(25,654) thousand and NT$(3,507) thousand, respectively, representing (1.26%) and (3.08%) of consolidated total comprehensive income, respectively. As described in Note 13 to the consolidated financial statements, investments accounted for using the equity method as of March 31, 2026 and 2025 were NT$296,873 thousand and NT$342,796 thousand, respectively, and the share of profit (loss) of associates recognized for the three-month periods from March 31, 2026 and 2025 were NT$9,877 thousand and NT$(1,944) thousand, respectively, which were based on the financial reports of the investee companies for the same periods that have not been reviewed by CPAs.

Qualified Conclusion

Based on the accountant's review, except for the potential adjustments to the consolidated financial statements that might arise if the financial statements of certain non-material subsidiaries and investee companies described in the basis for qualified conclusion section were reviewed by accountants, nothing came to the accountant's attention that causes the accountant to believe that the aforementioned consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission, and do not present fairly the consolidated financial position of Gudeng Precision Industrial Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and their consolidated financial performance and consolidated cash flows for the periods from January 1 to March 31, 2026 and 2025.

Deloitte & Touche

Taipei, Taiwan

Republic of China

May 13, 2026

Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

As of March 31, 2026, December 31 and March 31, 2025

Unit: In Thousands of New Taiwan Dollars

		March 31, 2026		December 31, 2025		March 31, 2025	
Code	Assets	Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and Cash Equivalents (Notes 6)	$ 5,729,690	22	$ 5,109,109	22	$ 4,379,926	20
1110	Financial Assets at Fair Value through Profit or Loss - Current (Note 7)	576,903	2	517,873	2	537,822	2
1136	Financial Assets at Amortized Cost - Current (Note 9)	463,819	2	484,649	2	857,509	4
1150	Notes Receivable - Non-related Parties (Note 10)	12,846	-	9,109	-	31,703	-
1172	Trade Receivable - Non-related Parties (Notes 10 and 28)	1,399,488	6	1,576,237	7	1,663,201	8
1180	Trade Receivable - Related Parties (Notes 10, 28 and 38)	81,980	-	8,131	-	26,440	-
1200	Other Receivables (Note 10)	25,657	-	51,437	-	36,012	-
1210	Other Receivables - Related Parties (Notes 10 and 38)	46	-	406,134	2	105	-
1220	Current Tax Assets (Note 4)	3,157	-	3,057	-	2,169	-
130X	Inventories (Note 11)	2,339,085	9	2,067,754	9	2,161,598	10
1410	Prepayments (Notes 19 and 38)	140,666	1	104,826	-	117,482	1
1479	Other Current Assets (Note 20)	80,777	-	41,451	-	81,559	-
11XX	Total Current Assets	10,854,114	42	10,379,767	44	9,895,526	45
	Non-current Assets						
1510	Financial Assets at Fair Value through Profit or Loss - Non-current (Note 7)	232,704	1	128,295	1	106,581	-
1517	Financial Assets at Fair Value through Other Comprehensive Income - Non-current (Note 8)	3,412,409	13	2,099,365	9	1,829,014	8
1535	Financial Assets at Amortized Cost - Non-current (Note 9)	8,500	-	8,500	-	8,500	-
1550	Investments Accounted for Using Equity Method (Note 13)	296,873	1	276,183	1	342,796	2
1600	Property, Plant and Equipment (Notes 14 and 38)	9,642,856	37	9,402,806	40	8,047,959	37
1755	Right-of-use Assets (Note 15)	249,798	1	226,908	1	255,434	1
1760	Investment Property, Net (Note 16)	251,884	1	252,016	1	655,772	3
1805	Goodwill (Note 17)	123,612	1	82,785	-	156,192	1
1821	Other Intangible Assets (Note 18)	268,270	1	279,174	1	205,967	1
1840	Deferred Tax Assets (Note 4)	73,695	-	66,033	-	66,458	-
1915	Prepayments for Equipment (Note 38 and 40)	571,409	2	527,836	2	448,562	2
1920	Refundable Deposits (Note 38)	37,680	-	36,863	-	34,894	-
1990	Other non-current assets (Note 20)	3,605	-	-	-	1,743	-
15XX	Total Non-current Assets	15,173,295	58	13,386,764	56	12,159,872	55
1XXX	Total Assets	$ 26,027,409	100	$ 23,766,531	100	$ 22,055,398	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term Borrowings (Note 21)	$ 559,778	2	$ 485,832	2	$ 1,144,419	5
2120	Financial Liabilities at Fair Value through Profit or Loss - Current (Note 7)	888	-	405	-	110	-
2131	Contract Liabilities - Current (Notes 28 and 38)	351,617	2	304,671	1	646,871	3
2150	Notes Payable - Non-related Parties (Note 23)	67	-	136	-	228	-
2170	Accounts Payable - Non-related Parties (Note 23)	812,478	3	657,131	3	627,448	3
2180	Accounts Payable - Related Parties (Notes 23 and 38)	85,728	-	61,506	-	44,745	-
2219	Other Payables (Note 24)	1,351,691	5	1,188,893	5	1,316,458	6
2220	Other Payables - Related Parties (Notes 24 and 38)	10	-	12,248	-	33,699	-
2230	Current Income Tax Liabilities (Note 4)	207,939	1	103,672	1	187,900	1
2250	Provisions - Current (Note 25)	33,905	-	33,470	-	30,637	-
2280	Lease Liabilities - Current (Notes 15 and 38)	45,750	-	43,695	-	51,114	-
2320	Current portion of Long-term borrowings (Notes 21 and 22)	1,840,178	7	923,772	4	994,459	5
2399	Other Current Liabilities (Notes 24 and 38)	120,940	1	46,305	-	85,865	1
21XX	Total Current Liabilities	5,410,969	21	3,861,736	16	5,163,953	24
	Non-current Liabilities						
2540	Long-term Borrowings (Note 21)	7,527,259	29	8,287,908	35	5,509,663	25
2570	Deferred tax liabilities (Note 4)	2,535	-	1,714	-	6,561	-
2580	Lease Liabilities - Non-current (Notes 15 and 38)	184,891	1	165,176	1	186,567	1
2640	Net Defined Benefit Liabilities - Non-current (Notes 4 and 24)	38,664	-	38,471	-	39,566	-
2645	Guarantee Deposits Received (Note 38)	2,289	-	2,006	-	10,139	-
25XX	Total Non-current Liabilities	7,755,638	30	8,495,275	36	5,752,496	26
2XXX	Total Liabilities	13,166,607	51	12,357,011	52	10,916,449	50
	Equity Attributable to Owners of the Company (Note 27)						
	Share Capital						
3110	Ordinary Shares	960,415	4	960,415	4	958,505	4
3140	Stock Subscriptions Received in Advance	-	-	-	-	1,890	-
3100	Total Share Capital	960,415	4	960,415	4	960,395	4
3200	Capital Surplus	6,914,418	26	6,913,992	29	6,918,071	31
	Retained Earnings						
3310	Legal Reserve	561,607	2	494,599	2	469,263	2
3350	Unappropriated Retained Earnings	1,439,480	6	1,241,559	5	736,993	4
3300	Total Retained Earnings	2,001,087	8	1,736,158	7	1,206,256	6
3400	Other Equity	1,353,732	5	132,768	1	574,882	3
31XX	Total Equity Attributable to Owners of the Company	11,229,652	43	9,743,333	41	9,659,604	44
36XX	Non-controlling Interests (Note 27)	1,631,150	6	1,666,187	7	1,479,345	6
3XXX	Total Equity	12,860,802	49	11,409,520	48	11,138,949	50
	Total Liabilities and Equity	$ 26,027,409	100	$ 23,766,531	100	$ 22,055,398	100

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

Chairman: Chiu, Ming-Chien　　Manager: Lin, Tien-Jui　　Accounting Supervisor: Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars, except earnings per share expressed in NT$

		January 1 to March 31, 2026		January 1 to March 31, 2025	
Code		Amount	%	Amount	%
4000	Operating Revenue (Notes 28 and 38)	$ 1,865,049	100	$ 1,708,796	100
5000	Operating Costs (Notes 11, 29 and 38)	1,069,923	57	961,150	56
5900	Gross Profit from Operations	795,126	43	747,646	44
	Operating Expenses (Notes 29 and 38)				
6100	Selling and Marketing Expenses	141,813	8	103,102	6
6200	General and Administrative Expenses	226,742	12	225,567	13
6300	Research and Development Expenses	138,899	7	118,489	7
6450	Expected Credit Loss Reversal Benefit	(3,760)	-	(1,591)	-
6000	Total Operating Expenses	503,694	27	445,567	26
6900	Net Operating Income	291,432	16	302,079	18
	Non-operating Income and Expenses				
7100	Interest income (Note29)	11,033	1	13,520	1
7190	Other Income (Notes 29 and 38)	12,967	1	45,005	2
7020	Other Gains and Losses (Note 29 and 38)	64,159	3	(34,679)	(2)
7050	Finance Costs (Note 29)	(51,115)	(3)	(36,219)	(2)
7060	Share of Profit or Loss of Associates Accounted for Using Equity Method	9,877	-	(1,944)	-
7000	Total Non-operating Income and Expenses	46,921	2	(14,317)	(1)
7900	Profit Before Income Tax	338,353	18	287,762	17
7950	Income Tax Expense (Notes 4 and 30)	(60,200)	(3)	(67,517)	(4)
8200	Net income for the period	278,153	15	220,245	13
	Other Comprehensive Income				
8310	Items That Will Not Be Reclassified Subsequently to Profit or Loss				
8316	Unrealized Gain/(Loss) On Investments In Equity Instruments At Fair Value Through Other Comprehensive Income	1,736,911	93	(131,834)	(8)
8360	Items That May Be Reclassified Subsequently to Profit or Loss				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	14,191	1	25,499	2
8300	Total other comprehensive income/(loss) for the year (net of income tax)	1,751,102	94	(106,335)	(6)
8500	Total Comprehensive Income for the year	$ 2,029,255	109	$ 113,910	7
	Net Profit Attributable To				
8610	Owners of the Company	$ 245,148	13	$ 211,067	12
8620	Non-controlling Interests	33,005	2	9,178	1
8600		$ 278,153	15	$ 220,245	13
	Total Comprehensive Income Attributable to				
8710	Owners of the Company	$ 1,966,100	106	$ 104,136	6
8720	Non-controlling Interests	63,155	3	9,774	1
8700		$ 2,029,255	109	$ 113,910	7
	Earnings Per Share (Note 31)				
9710	Basic	$ 2.55		$ 2.20	
9810	Diluted	$ 2.54		$ 2.19	

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

Chairman: Chiu, Ming-Chien Manager: Lin, Tien-Jui Accounting Supervisor: Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended March 31, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

		Equity Attributable to Owners of the Company										
		Share Capital				Retained Earnings		Other Equity Items				
Code		Number of Shares (in thousands)	Amount	Stock Subscriptions Received in Advance	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
A1	Balance as of January 1, 2025	95,850	$ 958,505	$ 984	$ 6,888,506	$ 401,871	$ 1,083,118	($ 9,779)	$ 691,592	$ 10,014,797	$ 1,513,277	$ 11,528,074
	Appropriation Of Earnings											
B1	Legal Reserve	-	-	-	-	67,392	(67,392)	-	-	-	-	-
B5	Cash Dividends distributed by the Company	-	-	-	-	-	(489,800)	-	-	(489,800)	-	(489,800)
	Other Changes in Capital Surplus:											
N1	Employee Share Options Issued By The Subsidiary	-	-	-	69	-	-	-	-	69	65	134
M7	Changes In Percentage Of Ownership Interests In Subsidiaries (Notes 27 and 34)	-	-	-	(1,062)	-	-	-	-	(1,062)	30,408	29,346
O1	Changes in Non-controlling Interests (Note 27)	-	-	-	-	-	-	-	-	-	(98,252)	(98,252)
O1	Issuance of Ordinary Shares under Employee Share Options	-	-	-	-	-	-	-	-	-	24,073	24,073
I1	Convertible Bonds Converted to Ordinary Shares	-	-	906	30,558	-	-	-	-	31,464	-	31,464
D1	January 1 to March 31, 2025, Net income	-	-	-	-	-	211,067	-	-	211,067	9,178	220,245
D3	January 1 to March 31, 2025, Other comprehensive income (loss) after tax	-	-	-	-	-	-	24,259	(131,190)	(106,931)	596	(106,335)
D5	January 1 to March 31, 2024, Total comprehensive income (loss)	-	-	-	-	-	211,067	24,259	(131,190)	104,136	9,774	113,910
Z1	Balance as of March 31, 2025	95,850	$ 958,505	$ 1,890	$ 6,918,071	$ 469,263	$ 736,993	$ 14,480	$ 560,402	$ 9,659,604	$ 1,479,345	$ 11,138,949
A1	Balance as of January 1, 2026	96,041	$ 960,415	$ -	$ 6,913,992	$ 494,599	$ 1,241,559	($ 19,662)	$ 152,430	$ 9,743,333	$ 1,666,187	$ 11,409,520
	Appropriation Of Earnings											
B1	Legal Reserve	-	-	-	-	67,008	(67,008)	-	-	-	-	-
B5	Cash Dividends distributed by the Company	-	-	-	-	-	(480,207)	-	-	(480,207)	-	(480,207)
	Other Changes in Capital Surplus:											
C7	Changes In Capital Surplus From Investments In Associates/And Joint Ventures Accounted For Using The Equity Method	-	-	-	426	-	-	-	-	426	-	426
O1	Changes in Non-controlling Interests (Note 27)	-	-	-	-	-	-	-	-	-	(98,192)	(98,192)
D1	January 1 to March 31, 2026, Net income	-	-	-	-	-	245,148	-	-	245,148	33,005	278,153
D3	January 1 to March 31, 2026, Other comprehensive income (loss) after tax	-	-	-	-	-	-	12,565	1,708,387	1,720,952	30,150	1,751,102
D5	January 1 to March 31, 2026, Total comprehensive income (loss)	-	-	-	-	-	245,148	12,565	1,708,387	1,966,100	63,155	2,029,255
Q1	Disposal of Equity Instruments at Fair Value through Other Comprehensive Income	-	-	-	-	-	499,988	-	(499,988)	-	-	-
Z1	Balance as of March 31, 2026	96,041	$ 960,415	$ -	$ 6,914,418	$ 561,607	$ 1,439,480	($ 7,097)	$ 1,360,829	$ 11,229,652	$ 1,631,150	$ 12,860,802

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

Chairman: Chiu, Ming-Chien | Manager: Lin, Tien-Jui | Accounting Supervisor: Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended March 31, 2026 and 2025

Unit: In Thousands of New Taiwan Dollars

Code		January 1 to March 31, 2026	January 1 to March 31, 2025
	Cash Flows from Operating Activities		
A10000	Net Profit (Loss) before Income Tax for the Year	$ 338,353	$ 287,762
A20010	Revenue and Expense Items		
A20100	Depreciation Expense	170,003	142,733
A20200	Amortization Expense	15,996	10,443
A20300	Expected Credit Loss Reversal Benefit	(3,760)	(1,591)
A20400	Net Loss (Gain) on Financial Assets at Fair Value through Profit or Loss	(57,413)	57,062
A20900	Finance Costs	51,115	36,219
A21200	Interest Income	(11,033)	(13,520)
A21900	Share-based Payment Compensation Cost	-	134
A22300	Share of Profit or Loss of Associates Accounted for Using the Equity Method	(9,877)	1,944
A22500	Gain on Disposal of Property, Plant and Equipment	(3,465)	(4,515)
A23700	Impairment Loss recognized on Non-Financial Assets	39,844	-
A23800	Gain on Reversal of Impairment of Non-financial Assets	-	(1,142)
A30000	Net Changes in Operating Assets and Liabilities		
A31130	Notes Receivable	(3,737)	(8,397)
A31150	Accounts Receivable	106,667	(156,694)
A31180	Other Receivables	2,845	(13,036)
A31200	Inventories	(310,923)	(29,433)
A31230	Prepayments	(35,836)	(12,829)
A31240	Other Current Assets	(39,326)	436
A32125	Contract Liabilities	46,946	147,774
A32130	Notes Payable	(69)	114
A32150	Accounts Payable	179,201	(25,345)
A32180	Other Payables	(176,889)	(136,573)
A32200	Provisions	435	(2,197)
A32230	Other Current Liabilities	74,635	722
A32240	Net Defined Benefit Liabilities	193	411
A33000	Net Cash Generated from Operations Activities	373,905	280,482
A33100	Interest Received	10,813	12,708
A33200	Dividends Received	24,243	12,542
A33300	Interest Paid	(50,560)	(36,644)
A33500	Income Tax Paid	(1,584)	(3,302)
AAAA	Net Cash Inflow Generated from Operating Activities	356,817	265,786
	Cash Flows from Investing Activities		
B00010	Purchase of Financial Assets at Fair Value through Other Comprehensive Income	(120,000)	(235,684)
B00020	Proceeds From Sale of Financial Assets at Fair Value Through Other Comprehensive Income	573,097	-
B00040	Purchase of financial assets at amortized cost	(170,595)	(689,392)
B00050	Disposal of Financial Assets at Amortized Cost	191,425	760,779
B00100	Purchase of Financial Assets at Fair Value Through Profit or Loss	(104,938)	(93,720)
B00200	Disposal of Financial Liabilities at Fair Value through Profit or Loss	(605)	-
B01800	Purchase of Long-term Equity Investments Accounted for Using Equity Method	-	(20,000)
B02200	Net cash outflow on acquisition of subsidiaries	(49,409)	-
B02700	Payments for Property, Plant and Equipment	(326,719)	(363,993)
B02800	Proceeds from Disposal of Property, Plant and Equipment	409,432	34,128
B03700	Increase in Refundable Deposits	(817)	(1,236)
B04500	Payment of Intangible Assets	(4,313)	(41,525)
B06700	Increase in Other Non-current Assets	(3,605)	(126)
B07100	Increase in Prepayments for Equipment	(155,647)	(11,570)
B07600	Dividends Received from Associates/Joint ventures	-	220
BBBB	Net Cash (used in) Investing Activities	237,306	(662,119)
	Cash Flows from Financing Activities		
C00100	Increase in Short-term Borrowings	324,580	2,179,513
C00200	Decrease in Short-term Borrowings	(258,135)	(1,820,000)
C01600	Proceeds from Long-term Borrowings	300,000	943,014
C01700	Repayment of Long-term Borrowings	(156,748)	(496,141)
C03000	Increase in Refundable Deposits	283	-
C03100	Decrease in Refundable Deposits	-	(217)
C04020	Repayment of the Principal Portion of Lease Liabilities	(15,216)	(8,190)
C04500	Cash Dividends paid to owners of the Company	(182,479)	(364,232)
C09900	Changes in Non-controlling Interests	-	31,273
CCCC	Net Cash Generated from Financing Activities	12,285	465,020
DDDD	Effect of Exchange Rate Changes on the Balance of Cash Held in Foreign Currencies	$ 14,173	$ 19,757
EEEE	Net Increase in Cash and Cash Equivalents	620,581	88,444
E00100	Cash and Cash Equivalents Balance at Beginning of the Period	5,109,109	4,291,482
E00200	Cash and Cash Equivalents at the End of the Period	$ 5,729,690	$ 4,379,926

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

Chairman: Chiu, Ming-Chien Manager: Lin, Tien-Jui Accounting Supervisor: Lai, Po-An

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2026 and 2025

(unless otherwise stated, Amounts are in Thousands of New Taiwan Dollars)

1. Company History

Gudeng Precision Industrial Co., Ltd. (hereinafter referred to as "the Company") was established as a company limited by shares in New Taipei City in March 1998, and commenced operations in the same month. The main business activities include the trading and manufacturing of molds, mask packages, etc.

The Company's shares have been listed and traded on the Taipei Exchange (TPEx) since August 2011.

These consolidated financial statements are presented in the Company's functional currency, the New Taiwan Dollar.

2. Date and Procedures of Approval of Financial Statements

These consolidated financial statements were approved by the Board of Directors on May 13, 2026.

3. Application of Newly Released and Revised Standards and IFRIC Interpretations (IFRIC)

(1) Initial adoption of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as "IFRS Accounting Standards") that have been endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as "FSC")

The adoption of amended IFRS Accounting Standards endorsed and issued into effect by the FSC will not cause significant changes to the accounting policies of Gudeng Precision Industrial Co., Ltd. and its subsidiaries (hereinafter referred to as the "consolidated company").

(2) IFRS Accounting Standards Issued by the IASB but Not Yet Endorsed and Announced Effective by the FSC

Newly Released/ Revised Standards/ IFRIC Interpretations (IFRIC)	**Effective Date Issued by the IASB (Note 1)**
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	Undetermined
IFRS 18 "Presentation and Disclosure in Financial Statements	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures” (including 2025 amendments)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless otherwise stated, the above newly released/ revised standards/ IFRIC Interpretations (IFRIC) are effective for annual reporting periods beginning on or after their respective dates.

Note 2: The FSC announced on September 25, 2025 that enterprises in the ROC shall apply IFRS 18 starting from January 1, 2028, and may also choose to early adopt after the FSC endorses IFRS 18.

IFRS 18 "Presentation and Disclosure in Financial Statements" and Related Amendments

IFRS 18 will replace IAS 1 "Presentation of Financial Statements", and the main changes include:

- The consolidated company shall assess whether it has specific principal business activities of investing in certain types of assets and providing financing to customers, and accordingly classify income and expense items in the income statement into the categories of operating, investing, financing, income tax, and discontinued operations.
- Income statement should present operating profit or loss, profit or loss before financing and income tax, and subtotals and totals of profit or loss.
- Guidance is provided to enhance aggregation and disaggregation requirements: the Consolidated Company must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate them based on shared characteristics, so that each line item presented in the primary financial statements shares at least one similar characteristic. Items with dissimilar characteristics should be disaggregated in the primary financial statements and notes. The consolidated company shall label such items as "other" only when it cannot identify a more informative label.
- Enhanced disclosure of management-defined performance measures: When the consolidated company engages in public communications outside the financial statements and communicates management's perspective on certain aspects of the consolidated company's overall financial performance to users of financial statements, it shall disclose information related to management-defined performance measures in a single note to the financial statements, including descriptions of such measures, how they are calculated, reconciliation with subtotals or totals specified in IFRS Accounting Standards, and the income tax and non-controlling interests effects of related reconciling items.

In addition, IAS 7 "Statement of Cash Flows" has been amended with the following consequential amendments:

- When the consolidated company prepares cash flows from operating activities using the indirect method, operating profit or loss shall be used as the starting point for reconciliation.
- Interest and dividends received by the consolidated company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the consolidated company is assessed to have specific principal business activities, it shall consider the categories of dividend income, interest income, and interest expense presented in the income statement to determine the classification of dividends received, interest received, and interest paid in the statement of cash flows; however, each of the aforementioned cash flows may only be classified under a single activity in the statement of cash flows.

As of the date of issuance of these consolidated financial statements, the consolidated company is still evaluating the impact of these amendments on its financial position and financial performance. The related impacts will be disclosed upon completion of the evaluation.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

These consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued by the FSC. These consolidated financial statements do not include all IFRS Accounting Standards disclosure information required in complete annual financial statements.

(2) Basis of Preparation

Except for financial instruments measured at fair value and the net defined benefit liability recognized as the present value of defined benefit obligation less the fair value of plan assets, these consolidated financial statements have been prepared on a historical cost basis.

Fair value measurements are categorized into Levels 1 to 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs:

1. Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
2. Level 2 inputs: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 inputs: Unobservable inputs for the asset or liability.

(3) Basis of Consolidation

This consolidated financial report includes the financial reports of the Company and entities controlled by the Company (subsidiaries). The consolidated statement of comprehensive income includes the operating results of subsidiaries acquired or disposed of during the period from the date of acquisition or up to the date of disposal. The financial reports of subsidiaries have been adjusted to ensure their accounting policies are consistent with those of the consolidated company. When preparing the consolidated financial reports, all transactions, account balances, revenues and expenses between entities have been fully eliminated. The total comprehensive income/(loss) of subsidiaries is attributable to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When changes in percentage of ownership interests in subsidiaries do not result in a loss of control, they are accounted for as equity transactions. The carrying amounts of the consolidated company and non-controlling interests have been adjusted to reflect the changes in their relative interests in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributed to the owners of the Company.

For details of subsidiaries, shareholding percentages, and business activities, please refer to Note 12 and Tables 5 and 6.

(4) Other of Significant Accounting Policies

Except as described below, please refer to the summary of significant accounting policies in the consolidated financial statements for the year 2025.

1. Defined benefit post-employment benefits

   Pension costs for interim periods are calculated on a year-to-date basis using the pension cost rate determined actuarially at the end of the previous year, and adjusted for significant market fluctuations during the current period, as well as significant plan amendments, settlements, or other significant one-time events.

2. Income tax expenses

   Income tax expense is the sum of current income tax and deferred income tax. Income tax for interim periods is assessed on an annual basis, calculated on interim pre-tax income using the tax rate applicable to the expected total annual earnings.

5. Main Sources of Significant Accounting Judgments, Estimates and Assumption Uncertainties

When adopting accounting policies, for information not easily obtained from other sources, the management of the consolidated company must make relevant judgments, estimates, and assumptions based on historical experience and other relevant factors. Actual results may differ from estimates.

When developing significant accounting estimates, the Consolidated Company takes into consideration the potential impacts of inflation, market interest rate fluctuations, and U.S. reciprocal tariff measures on significant estimates related to cash flow projections, growth rates, discount rates, profitability, and other relevant matters. Management will continue to review the estimates and underlying assumptions.

After evaluation by the management of the consolidated company, there are no main sources of significant accounting judgments, estimates and assumption uncertainties.

6. Cash and Cash Equivalents

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Cash on Hand and Petty Cash	$ 12,368	$ 1,146	$ 1,168
Checking accounts and Demand Deposits	2,695,838	3,203,243	2,067,958
Cash Equivalents (Investments with Original Maturities of 3 Months or Less)			
Time Deposits	3,021,484	1,904,720	2,310,800
	$ 5,729,690	$ 5,109,109	$ 4,379,926

7. Financial Instruments at Fair Value through Profit or Loss

	March 31, 2026	December 31, 2025	March 31, 2025
Financial Assets - Current			
Mandatory Fair Value through Profit or Loss			
Derivative Financial Assets (not under hedge accounting)			
- Convertible options (Note 22)	$ 107	$ 107	$ 367
Non-derivative Financial Assets			
- Domestic publicly traded shares	98,099	112,930	494,753
- Domestic Emerging Stocks	72,828	17,412	42,702
- Non-publicly traded shares	405,869	387,424	-
	$ 576,903	$ 517,873	$ 537,822
Financial Assets - Non-current			
Mandatory Fair Value through Profit or Loss			
Non-derivative Financial Assets			
- Domestic Limited Partnerships	$ 232,704	$ 128,295	$ 106,581
Financial Liabilities - Current			
Held for trading			
Derivative Financial Assets (not under hedge accounting)			
Forward exchange contracts(1)	$ 888	$ 405	$ -
- Convertible options (Note 22)	-	-	110
	$ 888	$ 405	$ 110

(1) Forward foreign exchange contracts outstanding at the balance sheet date for which hedge accounting was not applied are as follows:

March 31, 2026

	Currency	Maturity period	Contract amount (in thousands)
Sell forward foreign exchange	USD to NTD	April 7 to May 4, 2026	USD 1,230/NTD 38,526

December 31, 2025

	Currency	Maturity period	Contract amount (in thousands)
Sell forward foreign exchange	USD to NTD	January 5 to March 18, 2026	USD 2,029/NTD 63,267

8. Financial Assets at Fair Value through Other Comprehensive Income

Equity Instrument Investments

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Domestic Investments			
Domestic publicly traded shares	$ 1,692,241	$ 1,325,893	$ 1,170,755
Publicly traded placement shares	272,386	107,710	-
Emerging Stocks Private Placement	-	-	229,609
Emerging stock	1,123,659	312,938	-
Non-publicly traded shares	212,547	241,248	428,650
	3,300,833	1,987,789	1,829,014
Foreign investment			
Non-publicly traded shares	111,576	111,576	-
	$ 3,412,409	$ 2,099,365	$ 1,829,014

The Consolidated Company invests in both domestic and foreign common stocks listed on the TWSE, TPEx, and the Emerging Stock Market, as well as unlisted common stocks, for medium- and long-term strategic purposes, with the expectation of generating profits through long-term investments. The management of the consolidated company believes that including the short-term fair value fluctuations of these investments in profit or loss would be inconsistent with the aforementioned long-term investment planning, therefore they chose to designate these investments as fair value through other comprehensive income.

The shares of Microprogram Information Co., Ltd. and GreenFiltec Ltd. held by the Consolidated Company are privately placed common stocks, which are subject to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.

9. Financial Assets at Amortized Cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Pledged certificates of deposit	$ 133,332	$ 142,352	$ 133,302
Pledged deposits	38,324	38,628	90,382
Time deposits with original maturities of more than 3 months	292,163	303,669	633,825
	$ 463,819	$ 484,649	$ 857,509
Non-current			
Pledged certificates of deposit	$ 8,500	$ 8,500	$ 8,500

Information on the pledge of financial assets at amortized cost is provided in Note 39.

10. Notes receivable, accounts receivable, other receivables and overdue receivables

	March 31, 2026	December 31, 2025	March 31, 2025
Notes Receivable			
Measured at amortized cost			
Total carrying amount	$ 12,846	$ 9,109	$ 31,703
Less: Loss allowance	-	-	-
	$ 12,846	$ 9,109	$ 31,703
Arising from business operations	$ 12,846	$ 9,109	$ 31,703
Accounts Receivable			
Measured at amortized cost			
Total carrying amount	$ 1,407,434	$ 1,583,204	$ 1,667,860
Less: Loss allowance	(7,946)	(6,967)	(4,659)
	$ 1,399,488	$ 1,576,237	$ 1,663,201
Accounts receivable - Related parties (Note 38)			
Measured at amortized cost			
Total carrying amount	$ 81,980	$ 8,131	$ 26,440
Less: Loss allowance	-	-	-
	$ 81,980	$ 8,131	$ 26,440
Other Receivables			
Other receivables - Non-related parties			
Receivable for business tax refund	$ 2,114	$ -	$ 2,832
Dividends receivable	-	24,243	-
Interest receivable	1,887	1,667	2,307
Others	21,656	25,527	30,873
	$ 25,657	$ 51,437	$ 36,012
Other receivables - Related parties (Note 38)	$ 46	$ 406,134	$ 105
Non-performing receivables			
Measured at amortized cost			
Total carrying amount	$ 4,798	$ 9,537	$ 1,464
Less: Loss allowance	(4,798)	(9,537)	(1,464)
	$ -	$ -	$ -

Accounts Receivable

The consolidated company's average credit period for sales of goods is 60 days to 120 days. When determining the recoverability of accounts receivable, the consolidated company considers any changes in credit quality of the accounts receivable from the original credit date to the balance sheet date. To mitigate credit risk, the consolidated company's management has assigned a dedicated team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure appropriate actions are taken for the collection of overdue receivables. Furthermore, the consolidated company reviews the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been recognized for irrecoverable receivables. Accordingly, the Company's management believes that the consolidated company's credit risk has been significantly reduced.

The consolidated company adopts the simplified approach of IFRS 9 to recognize the allowance for losses on accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix, which considers the customer's past default records, current financial condition, and industry economic conditions. Since the consolidated company's credit loss historical experience shows that there are no significant differences in loss patterns among different customer groups, the provision matrix does not further differentiate customer groups, but only establishes expected credit loss rates based on the number of days past due for notes receivable and the number of days since initial recognition for accounts receivable.

If there is evidence indicating that the counterparty is facing severe financial difficulties and the consolidated company cannot reasonably expect to recover the amount, such as when the counterparty is undergoing liquidation or the debt has been overdue for more than 365 days, the consolidated company directly reclassifies it as collection accounts and continues collection activities. Any amounts recovered from these collection efforts are offset against the related collection accounts.

The consolidated company measures the allowance for losses on notes receivable and accounts receivable according to the provision matrix as follows:

Notes Receivable

March 31, 2026

	Not past due
Expected credit loss rate	0%
Total carrying amount	$ 12,846
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	$ 12,846

December 31, 2025

	Not past due
Expected credit loss rate	0%
Total carrying amount	$ 9,109
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	$ 9,109

March 31, 2025

	Not past due
Expected credit loss rate	0%
Total carrying amount	$ 31,703
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	$ 31,703

Accounts Receivable

March 31, 2026

	1~90 days	91~180 days	181~270 days	271~365 days	Total
Expected credit loss rate	0.14%	0.82%	8.21%	12.70%	
Total carrying amount	$1,254,136	$ 191,472	$ 19,733	$ 24,073	$1,489,414
Allowance for losses (lifetime expected credit losses)	(1,695)	(1,573)	(1,621)	(3,057)	(7,946)
Amortized cost	$1,252,441	$ 189,899	$ 18,112	$ 21,016	$1,481,468

December 31, 2025

	1~90 days	91~180 days	181~270 days	271~365 days	Total
Expected credit loss rate	0.24%	0.87%	7.54%	8.08%	
Total carrying amount	$1,438,958	$ 119,259	$ 31,038	$ 2,080	$1,591,335
Allowance for losses (lifetime expected credit losses)	(3,423)	(1,036)	(2,340)	(168)	(6,967)
Amortized cost	$1,435,535	$ 118,223	$ 28,698	$ 1,912	$1,584,368

March 31, 2025

	1~90 days	91~180 days	181~270 days	271~365 days	Total
Expected credit loss rate	0.12%	0.77%	9.31%	1.67%	
Total carrying amount	$1,506,163	$ 167,217	$ 15,160	$ 5,760	$1,694,300
Allowance for losses (lifetime expected credit losses)	(1,870)	(1,282)	(1,411)	(96)	(4,659)
Amortized cost	$1,504,293	$ 165,935	$ 13,749	$ 5,664	$1,689,641

The above is an aging analysis based on the booking date.

The changes in allowance for loss on accounts receivable are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Beginning Balance	$ 6,967	$ 5,069
Add: Impairment loss recognized for the year	1,058	-
Less: Reversal on impairment loss for the period	-	(204)
Less: Reclassification out for the year	(79)	(225)
Foreign currency translation difference	-	19
Ending Balance	$ 7,946	$ 4,659

The movement information of allowance for loss on nonperforming loans is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Beginning Balance	$ 9,537	$ 2,626
Add: Reclassification in for the year	79	225
Less: Reversal on impairment loss for the period	(4,818)	(1,387)
Ending Balance	$ 4,798	$ 1,464

11. Inventories

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 510,353	$ 529,689	$ 523,160
Semi-finished products	392,487	338,481	430,007
Work in progress	624,573	490,520	614,433
Finished products	339,919	300,226	344,687
Merchandise inventory	28,487	33,447	7,834
	1,895,819	1,692,363	1,920,121
Construction land			
New Taipei City, Sanxia District	148,237	147,726	141,345
Construction in progress			
New Taipei City, Sanxia District	295,029	227,665	100,132
	$ 2,339,085	$ 2,067,754	$ 2,161,598

The nature of cost of goods sold is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Cost of inventory sold	$ 1,030,675	$ 964,143
Inventory valuation and obsolescence loss	39,844	-
Reversal of inventory write-down	-	(1,142)
Inventory gain on physical count	(222)	(275)
Income from selling scrap materials	(374)	(1,741)
Inventory obsolescence loss	-	165
	$ 1,069,923	$ 961,150

12. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

Name of investing company	Name of subsidiary	Nature of business	Percentage of ownership			Description
			March 31, 2026	December 31, 2025	March 31, 2025	
Gudeng Precision Industrial Co., Ltd. (hereinafter referred to as the Company)	Gudeng Venture Capital Co., Ltd. (hereinafter referred to as Gudeng Venture)	Investments in Various Business Operations	100%	100%	100%	-
	Guchii Technology Co., Ltd. (hereinafter referred to as Guchii Technology)	Trading, Maintenance, and Servicing of Various Precision Instruments	51.43%	51.43%	51.43%	Note 1
	Gudeng Equipment Co., Ltd. (hereinafter referred to as Gudeng Equipment)	Manufacturing, maintenance, and servicing of various precision instruments	45.48%	45.48%	45.44%	Note 4
	Rich Point Global Corp. (hereinafter referred to as Rich Point)	Investments in Various Business Operations	100%	100%	100%	-
	Partner one Ltd.	Investment business operations	-	-	-	Note 2
	Gudeng Inc. (USA)	Semiconductor-related business and related supporting services	51%	51%	51%	-
	Gudeng Aerospace Technologies Corporation (hereinafter referred to as Gudeng Aerospace)	Aircraft and parts retail, wholesale, and manufacturing	100%	100%	100%	-
	Gudeng Japan Co., LTD	Operation of various electronic component businesses	100%	100%	100%	Note 8
Gudeng Precision Industrial Co., Ltd. (hereinafter referred to as the Company)	Jia Shuo Construction, Inc. (hereinafter referred to as Jia Shuo Construction)	Industrial plant, residential and building development, rental and sales business, real estate buying, selling, and leasing business	100%	100%	100%	-
	Gu Chance Venture Capital Co., Ltd. (hereinafter referred to as Gu Chance Venture Capital)	Investment and management consulting business	100%	100%	100%	-
	Jia Rui Verture Capital Co.,Ltd. (Formerly Fu Rui Sheng) (hereinafter referred to Jia Rui Company)	Investment and management consulting business	100%	100%	100%	Note 5
	GUDENG KOREA CO., LTD.	Operation of various electronic component businesses	100%	100%	100%	Note 6
Gudeng Venture	Hengyang Green Energy Co., Ltd. (hereinafter referred to as Hengyang)	Energy equipment installation and engineering business	45%	45%	45%	-
Gudeng Equipment	Showa Precision Co., Ltd. (hereinafter referred to as Showa)	Design and modification of PVD vacuum technology-related equipment for semiconductors and panels	100%	100%	100%	-
	Gudeng Inc. (USA)	Semiconductor-related business and related supporting services	4%	4%	4%	-
	Gdauto Equipment Capital Ltd.	Investment business operations	-	-	-	Note 7
Rich Point	Sun Park Development Limited (hereinafter referred to as Sun Park)	Investments in Various Business Operations	100%	100%	100%	-
	Gudeng Investment Co., Ltd. (hereinafter referred to as Gudeng Investment)	Investments in Various Business Operations	100%	100%	100%	-

(Continued on the next page)

(Continued from the previous page)

Name of investing company	Name of subsidiary	Nature of business	Percentage of ownership March 31, 2026	December 31, 2025	March 31, 2025	Description
Sun Park	Jiaqian Technology (Shanghai) Co., Ltd. (hereinafter referred to as Jiaqian Shanghai)	Wholesale, import and export, commission agency, and related supporting services for plastic products, electronic products, hardware and electrical appliances, etc.	100%	100%	100%	-
Jiaqian Shanghai	Kawaguchi Plastic Industry (Kunshan) Co., Ltd. (hereinafter referred to as Kunshan Kawaguchi)	Plastic and electronic product manufacturing	100%	100%	100%	-
	Shanghai Xiangfeng Trading Co., Ltd. (hereinafter referred to as "Shanghai Xiangfeng")	Wholesale, retail, and leasing of plastic and electronic products	100%	-	-	Note 11
Kunshan Kawaguchi	Dachuan Plastic Industrial (Kunshan) Co., Ltd. (hereinafter referred to as Kunshan Dachuan)	Plastic and electronic product manufacturing	100%	100%	100%	-
Partner one Ltd.	Gudeng Investment (HK)	Investment business operations	-	-	-	Note 2
Gudeng Investment (HK)	Welton Technology Limited (hereinafter referred to as Welton)	Operating in the manufacturing of plastic products, electronic and communication equipment, and electrical machinery and apparatus	-	-	-	Note 3
Gudeng Aerospace Technologies Corporation	JYR Aviation Components Co., Ltd. (hereinafter referred to as JYR Aviation)	Aircraft and parts retail, wholesale, and manufacturing	51%	51%	51%	-
	Gudeng Aerospace Inc. (hereinafter referred to as Gudeng Aerospace Inc.)	Aircraft and parts retail, wholesale, and manufacturing	100%	100%	100%	-
Jia Rui Company	Cypress Precision Industrial CO., LTD. (hereinafter “Cypress Precision”)	Manufacturing, sales, and services of precision cutting tools	95.38%	95.38%	90.88%	Note 1
	Efount international Co., Ltd. (hereinafter “Efount Company”)	Wholesale and retail trade	68%	68%	-	Note 9
Efount Company	EWKTOOL INC.	Wholesale and retail trade	100%	100%	-	Note 9
Gu Chance Venture Capital CO., LTD.	Suting Precision Industry Co., Ltd. (hereinafter referred to as Suting)	Manufacturing and sales of semiconductor carriers	60.02%	60.02%	100%	-
Suting	SU TING (Samoa) Co.,Ltd.	Investment and management consulting business	-	-	-	Note 10
SU TING (Samoa) Co.,Ltd.	Kunshan Shuo Jia Precision Industrial Co., Ltd. (hereinafter referred to as Kunshan Shuo Jia)	Wholesale and retail trade	-	-	-	Note 12

Note 1: For changes in the percentage of shares held by the consolidated company, please refer to Note 34.

Note 2: Registration was completed in 2017, but capital has not yet been invested.

Note 3: Welton is currently in the name pre-screening stage and has not yet been fully established.

Note 4: The consolidated company holds 45.48% of the shares of Gudeng Equipment, which is a domestic OTC listed company, with the remaining 54.52% of shares held by hundreds of shareholders who are not related parties to the consolidated company. After considering the absolute quantity, relative size, and distribution of voting rights held by the consolidated company compared to other shareholders, it has been determined that the consolidated company has the substantive ability to direct the relevant activities of Gudeng Equipment, and therefore Gudeng Equipment is listed as a subsidiary.

Note 5: This refers to " Fu Rui Sheng Industrial Co., Ltd.." which was renamed to Jia Rui Verture Capital Co.,Ltd. in April 2025.

Note 6: On January 16, 2025, the consolidated company invested KRW 3,721,360 thousand to acquire 100% equity interest in GUDENG KOREA CO., LTD.

Note 7: Gudeng Equipment established Gdauto Equipment Capital Ltd. in August 2025, and as of March 31, 2026, the capital injection had not yet been completed.

Note 8: The consolidated company invested JPY 4,095,000 thousand in August of 2025, and the change of registration had not yet been completed as of March 31, 2026.

Note 9: On September 30, 2025, Jia Rui Company invested NT$30,000 thousand to acquire 68% equity interest in Efount Company and 100% equity interest in its subsidiaries.

Note 10: Suting established SU TING (Samoa) Co., Ltd. in December 2025, and on April 17, 2026, invested USD 930 thousand to acquire 100% equity interest.

Note 11: On January 22, 2026, Jiaqian Tech invested RMB 11,750 thousand to acquire 100% equity interest in Shanghai Xiangfeng. Please refer to Note 33.

Note 12: SU TING (Samoa) Co., Ltd. established Kunshan Shuo Jia in March 2026, and on April 24, 2026, invested RMB 6,000 thousand to acquire 100% equity interest.

13. Investments accounted for using the equity method

Investment in associates

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Individually Immaterial Associates	$ 296,873	$ 276,183	$ 342,796

For information regarding the business nature, main operating locations, and countries of registration of the aforementioned associates, please refer to Table 5 "Information of Investee Companies, Locations and Other Related Information" in the appendix.

The share of profit or loss and other comprehensive income of associates accounted for using the equity method and enjoyed by the consolidated company is calculated based on financial reports that have not been reviewed by other certified public accountants.

14. Property, Plant and Equipment

For Own Use

	Owned Land	Buildings	Machinery Equipment	Leasehold Improvements	Other Equipment	Property Under Construction	Total
Cost							
Balance as of January 1, 2026	$ 3,306,976	$ 2,736,798	$ 2,309,256	$ 324,777	$ 2,250,485	$ 1,227,335	$ 12,155,627
Additions	-	1,353	9,606	10,077	37,344	201,175	259,555
Disposals	-	-	(32,376)	-	(500)	-	(32,876)
Acquired from Business Combination (Note 33)	-	29,828	-	-	958	-	30,786
Reclassification	-	-	50,763	65,338	48,649	(52,676)	112,074
Net Exchange Differences	(2,420)	8,540	9,631	4,774	988	(381)	21,132
Balance as of March 31, 2026	$ 3,304,556	$ 2,776,519	$ 2,346,880	$ 404,966	$ 2,337,924	$ 1,375,453	$ 12,546,298
Accumulated Depreciation and Impairment							
Balance as of January 1, 2026	$ -	$ 287,934	$ 1,123,460	$ 130,574	$ 1,210,853	$ -	$ 2,752,821
Disposals	-	-	(31,702)	-	(207)	-	(31,909)
Depreciation Expense	-	16,945	53,043	10,321	71,515	-	151,824
Acquired from Business Combination (Note 33)	-	21,128	-	-	719	-	21,847
Net Exchange Differences	-	3,596	3,565	1,162	536	-	8,859
Balance as of March 31, 2026	$ -	$ 329,603	$ 1,148,366	$ 142,057	$ 1,283,416	$ -	$ 2,903,442
Net Amount as of March 31, 2025	$ 3,304,556	$ 2,446,916	$ 1,198,514	$ 262,909	$ 1,054,508	$ 1,375,453	$ 9,642,856
Net balance as of December 31, 2025 and January 1, 2026	$ 3,306,976	$ 2,448,864	$ 1,185,796	$ 194,203	$ 1,039,632	$ 1,227,335	$ 9,402,806
Cost							
Balance as of January 1, 2025	$ 3,146,419	$ 1,139,563	$ 1,954,333	$ 257,222	$ 1,664,152	$ 1,765,030	$ 9,926,719
Additions	11,992	93,634	137,537	8,010	36,059	51,485	338,717
Disposals	(7,559)	(22,054)	-	-	-	-	(29,613)
Reclassification	587	122,023	7,702	6,380	41,425	(51,567)	126,550
Net Exchange Differences	13,144	10,998	4,975	2,649	947	445	33,158
Balance as of March 31, 2025	$ 3,164,583	$ 1,344,164	$ 2,104,547	$ 274,261	$ 1,742,583	$ 1,765,393	$ 10,395,531
Accumulated Depreciation and Impairment							
Balance as of January 1, 2025	$ -	$ 185,692	$ 941,122	$ 96,398	$ 992,653	$ -	$ 2,215,865
Depreciation Expense	-	8,493	52,773	10,204	55,238	-	126,708
Net Exchange Differences	-	1,687	2,324	432	556	-	4,999
Balance as of March 31, 2025	$ -	$ 195,872	$ 996,219	$ 107,034	$ 1,048,447	$ -	$ 2,347,572
Net Amount as of March 31, 2025	$ 3,164,583	$ 1,148,292	$ 1,108,328	$ 167,227	$ 694,136	$ 1,765,393	$ 8,047,959

Depreciation expense is calculated on a straight-line basis over the following useful lives:

Buildings	6 to 51 years
Machinery Equipment	2 to 15 years
Leasehold Improvements	2 to 11 years
Other Equipment	2 to 21 years

The consolidated company's significant components of buildings mainly include the main factory building, main building improvements, roads, and fencing, etc., and are depreciated according to their useful lives of 51 years, 21 years, and 20 years.

As of March 31, 2026, December 31, 2025, and March 31, 2025, the Consolidated Company had NT$408,561 thousand, NT$408,049 thousand, and NT$305,390 thousand, respectively, of its own land temporarily registered under third-party ownership, for which the trustees have issued letters of undertaking.

For the amounts of self-used property, plant and equipment set as collateral for loans, please refer to Note 39.

15. Lease Agreements

(1) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Right-of-use assets carrying amount			
Land	$ 149,005	$ 137,339	$ 136,445
Buildings	87,648	75,112	102,719
Machinery Equipment	1,347	1,616	-
Transportation equipment	11,798	12,841	16,270
	$ 249,798	$ 226,908	$ 255,434

	January 1 to March 31, 2026	January 1 to March 31, 2025
Additions to right-of-use assets	$ 36,207	$ 3,274
Depreciation expense of right-of-use assets		
Land	$ 1,958	$ 1,709
Buildings	14,163	11,040
Machinery Equipment	269	-
Transportation equipment	1,657	1,538
	$ 18,047	$ 14,287

In addition to the additions and depreciation expenses recognized above, the Consolidated Company's right-of-use assets did not experience any significant sublease or impairment situations during the three-month periods ended March 31, 2026 and 2025.

(2) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount of lease liabilities			
Current	$ 45,750	$ 43,695	$ 51,114
Non-current	$ 184,891	$ 165,176	$ 186,567

The discount rate range for lease liabilities is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	2.10%～2.60%	2.33%～2.60%	2.33%
Buildings	1.03%～5.33%	1.03%～5.33%	1.03%～5.33%
Machinery Equipment	2.58%	2.58%	-
Transportation equipment	1.46%～2.93%	1.46%～2.99%	1.46%～2.99%

(3)Significant leasing activities and terms

The Consolidated Company leases certain land, buildings, machinery and equipment, and transportation equipment for use as factories, offices, production operations, and company vehicles, respectively, with lease terms ranging from 2 to 20 years. For land located in the Republic of China, rent may be adjusted during the lease term in accordance with the contract. Upon termination of the lease term, the Consolidated Company has no preferential purchase rights over the leased land, buildings, machinery and equipment, or transportation equipment.

(4) Other lease information

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term lease expenses	$ 8,655	$ 5,629
Low-value asset lease expenses	$ 830	$ 428
Total cash (outflow) for leases	($ 25,818)	($ 15,421)

The consolidated company elects to apply the recognition exemption to short-term leases of buildings and low-value asset leases of office equipment, and does not recognize the related right-of-use assets and lease liabilities for these leases.

16. Investment Property

	Completed investment property
Cost	
Balance as of January 1, 2026	$ 257,430
Balance as of March 31, 2026	$ 257,430
Accumulated Depreciation and Impairment	
Balance as of January 1, 2026	$ 5,414
Depreciation Expense	132
Balance as of March 31, 2026	$ 5,546
Net Amount as of March 31, 2025	$ 251,884
Net balance as of December 31, 2025 and January 1, 2026	$ 252,016
Cost	
Balance as of January 1, 2025	$ 715,280
Balance as of March 31, 2025	$ 715,280
Accumulated Depreciation and Impairment	
Balance as of January 1, 2025	$ 57,770
Depreciation Expense	1,738
Balance as of March 31, 2025	$ 59,508
Net Amount as of March 31, 2025	$ 655,772

The total amount of future lease payments to be collected for investment property leased under operating leases is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
1st year	$ 1,934	$ 2,559	$ 22,760
2nd year	32	56	2,888
3rd year	-	-	2,628
	$ 1,966	$ 2,615	$ 28,276

Depreciation for investment property is calculated on a straight-line basis over the following useful lives:

Main building	51 years

The fair value of investment property is measured by independent valuation companies using Level 3 inputs. The valuation adopts cash flow method and comparison method, with key unobservable inputs including discount rate. The fair value obtained from the valuation is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value	$ 289,191	$ 289,191	$ 1,158,468

All investment properties of the consolidated company are proprietary equity. For the amount of investment property set as loan collateral, please refer to Note 39.

The consolidated company has no lease commitments that begin after the balance sheet date.

17. Goodwill

	January 1 to March 31, 2026	January 1 to March 31, 2025
Cost		
Beginning Balance	$ 197,059	$ 205,949
Acquisition through business combination for the current period (Note 33)	40,827	-
Reclassification	-	(23,049)
Ending Balance	$ 237,886	$ 182,900
Accumulated impairment losses		
Beginning Balance	($ 114,274)	($ 26,708)
Ending Balance	($ 114,274)	($ 26,708)
Net Beginning balance	$ 82,785	$ 179,241
New ending balance	$ 123,612	$ 156,192

The Consolidated Company's acquisition of Shanghai Xiangfeng on January 22, 2026 resulted in goodwill of NT$40,827 thousand, primarily arising from the control premium, including expected merger synergies, revenue growth, and future development. Based on the assessment, no impairment loss has been recognized.

18. Other Intangible Assets

	Patent rights	Computer software	Golf membership certificate	Technology	Customer relationships	Product agency rights	Total
Cost							
Balance as of January 1, 2026	$ 99,925	$ 245,447	$ 8,763	$ 5,900	$ 76,086	$ 52,381	$ 488,502
Acquired separately	-	4,313	-	-	-	-	4,313
Disposal during the period	-	(1,532)	-	-	-	-	(1,532)
Net Exchange Differences	-	-	-	-	727	-	727
Balance as of March 31, 2026	$ 99,925	$ 248,228	$ 8,763	$ 5,900	$ 76,813	$ 52,381	$ 492,010
Accumulated amortization and impairment							
Balance as of January 1, 2026	$ 56,977	$ 127,867	$ -	$ 4,215	$ 12,412	$ 7,857	$ 209,328
Amortization Expense	2,191	9,495	-	210	1,481	2,619	15,996
Disposal during the period	-	(1,532)	-	-	-	-	(1,532)
Net Exchange Differences	-	(66)	-	-	14	-	(52)
Balance as of March 31, 2026	$ 59,168	$ 135,764	$ -	$ 4,425	$ 13,907	$ 10,476	$ 223,740
Net Amount as of March 31, 2025	$ 40,757	$ 112,464	$ 8,763	$ 1,475	$ 62,906	$ 41,905	$ 268,270
Net balance as of December 31, 2025 and January 1, 2026	$ 42,948	$ 117,580	$ 8,763	$ 1,685	$ 63,674	$ 44,524	$ 279,174
Cost							
Balance as of January 1, 2025	$ 99,925	$ 180,611	$ 8,763	$ 5,900	$ 35,652	$ -	$ 330,851
Acquired separately	-	41,525	-	-	-	-	41,525
Net Exchange Differences	-	-	-	-	4	-	4
Balance as of March 31, 2025	$ 99,925	$ 222,136	$ 8,763	$ 5,900	$ 35,656	$ -	$ 372,380
Accumulated amortization and impairment							
Balance as of January 1, 2025	$ 48,214	$ 95,883	$ -	$ 3,371	$ 8,555	$ -	$ 156,023
Amortization Expense	2,191	7,241	-	211	800	-	10,443
Net Exchange Differences	-	(53)	-	-	-	-	(53)
Balance as of March 31, 2025	$ 50,405	$ 103,071	$ -	$ 3,582	$ 9,355	$ -	$ 166,413
Net Amount as of March 31, 2025	$ 49,520	$ 119,065	$ 8,763	$ 2,318	$ 26,301	$ -	$ 205,967

The consolidated company's golf membership certificate represents a right of use, and the management of the consolidated company believes that the consolidated company has the intention and ability to continuously extend the useful life, so it is an intangible asset with an indefinite useful life. However, regardless of whether there are any indications of impairment, impairment tests are conducted regularly every year. The golf club membership deposit of NT$12,000 thousand is recorded as refundable deposits.

Amortization expenses are calculated on a straight-line basis according to the following useful lives:

Computer software	1 to 9 years
Patent rights	5 to 10 years
Technology	7 years
Customer relationships	2 to 8 years
Product agency rights	5 years

Amortization expenses summarized by function:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Operating costs	$ 1,940	$ 1,847
Selling and Marketing Expenses	4,220	218
General and Administrative Expenses	5,697	5,588
Research and development expenses	4,139	2,790
	$ 15,996	$ 10,443

19. Prepayments

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Prepaid inventory	$ 31,899	$ 19,322	$ 22,512
Tax offset	43,231	37,532	35,540
Other prepaid expenses	65,536	47,972	59,430
	$ 140,666	$ 104,826	$ 117,482

20. Other assets

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other Current Assets			
Temporary payment	$ 5,723	$ 5,265	$ 4,408
Payment on behalf	75,054	36,186	77,151
	$ 80,777	$ 41,451	$ 81,559
Non-current			
Other non-current assets			
Net defined benefit asset	$ -	$ -	$ 1,083
Prepayments for investments	3,600	-	-
Others	5	-	660
	$ 3,605	$ -	$ 1,743

21. Borrowings

(1) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings (Note 39)			
- Bank loans	$ -	$ -	$ 324,419
Unsecured borrowings			
- Bank loans	559,778	485,832	820,000
	$ 559,778	$ 485,832	$ 1,144,419

The interest rates on bank revolving credit facilities were 1.85%–3.00%, 2.14%–3.00%, and 1.75%–3.15% as of March 31, 2026, December 31, 2025, and March 31, 2025, respectively.

(2) Long-term borrowings

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Secured borrowings (Note 39)	$ 4,279,863	$ 4,352,321	$ 3,893,918
Unsecured borrowings	4,735,573	4,509,220	2,255,623
Less: Portion due within 1 year	(1,488,177)	(573,633)	(639,878)
	$ 7,527,259	$ 8,287,908	$ 5,509,663
Borrowing details			
Annual interest rate	1.27%～3.40%	1.52%～3.40%	1.03%～3.40%
Maturity date	Maturing successively before January 2042	Maturing successively before January 2042	Maturing successively before January 2042

For the collateral situation of the above bank borrowings, please refer to Notes 39 and 40.

22. Corporate bonds payable

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Domestic unsecured convertible corporate bonds	$ 352,001	$ 350,139	$ 354,581
Less: Portion due within 1 year	(352,001)	(350,139)	(354,581)
	$ -	$ -	$ -

The 4th domestic unsecured convertible corporate bonds

The consolidated company issued 10 thousand units of Taiwan dollar-denominated unsecured convertible corporate bonds in Taiwan on October 18, 2023, with a three-year term and a coupon rate of 0%, for a total principal amount of NT$1,000,000 thousand.

Each unit of corporate bond holder has the right to convert into common shares of the consolidated company at NT$374.9 per share. After the conversion price is determined, if there is an increase in the number of issued common shares, the conversion price should be adjusted according to the conversion price adjustment formula.

From the day after three months from the issuance of these convertible bonds to 40 days before the maturity date, if the closing price of the consolidated company's common shares exceeds 30% of the conversion price for 30 consecutive business days, the consolidated company may, within the following 30 business days, send a "Notice to call back bonds" with a 30-day maturity by registered mail, and upon expiration of that period, redeem all bonds in cash at the face value of the bonds; from the day after three months from the issuance of these convertible bonds to 40 days before the maturity date, if the outstanding balance of these convertible bonds is less than 10% of the original total issuance amount, the consolidated company may, at any time thereafter, send a "Notice to call back bonds" with a 30-day maturity by registered mail, and redeem all bonds in cash at the face value of the bonds.

The day after two years from the issuance of these convertible bonds is the base date for bondholders to early redeem these convertible bonds. The consolidated company should, 40 business days prior to this date, send a "Notice of Exercise of Put-back Option" with a 5-day maturity by registered mail, and redeem all bonds in cash at the face value of the bonds.

These convertible corporate bonds include liability and equity components, with the equity component presented under equity as capital surplus - stock options. The original effective interest rate for the liability component is 2.14%.

The changes in the principal debt contract from the issuance date to March 31, 2026, are as follows:

	Amount
Issuance proceeds on October 18, 2023 (less transaction costs of NT$2,715 thousand)	$ 997,285
Equity component (less transaction costs allocated to equity of NT$154 thousand)	(56,446)
Derivative component - put option	(3,700)
Derivative component - redemption right	1,200
Liability component at issuance date (derivative component - redemption right)	938,339
Interest calculated at effective interest rate of 2.14%	28,881
Conversion of corporate bonds into common shares	(607,674)
Redemption of Bonds Payable	(9,407)
Liability component as of March 31, 2025	$ 350,139
Liability component as of January 1, 2026	$ 350,139
Interest calculated at effective interest rate of 2.14%	1,862
Liability component as of March 31, 2026	$ 352,001

As of March 31, 2025, the consolidated company has executed all conversions at the request of bondholders, with conversion details as follows:

	January 1 to March 31, 2025
Total amount of bonds requested for conversion	$ 32,700
Less: Ordinary share capital to be issued at the conversion price stipulated in the issuance regulations for the aforementioned bonds requested for conversion	(906)
Conversion premium	31,794
Add: Capital surplus - stock options	1,846
Financial liabilities at fair value through profit or loss	10
Less: Corporate bonds payable discount	(1,167)
Financial assets at fair value through profit or loss	(79)
Part of issued ordinary shares included in capital surplus - corporate bond conversion premium	$ 32,404

The changes in the debt master contract from the issuance date to March 31, 2025 are as follows:

	Amount
Issuance proceeds on October 18, 2023 (less transaction costs of NT$2,715 thousand)	$ 997,285
Equity component (less transaction costs allocated to equity of NT$154 thousand)	(56,446)
Derivative component - put option	(3,700)
Derivative component - redemption right	1,200
Liability component at issuance date (derivative component - redemption right)	938,339
Interest calculated at effective interest rate of 2.14%	21,303
Conversion of corporate bonds into common shares	(575,460)
Liability component as of December 31, 2024	$ 384,182
Liability component as of January 1, 2025	$ 384,182
Interest calculated at effective interest rate of 2.14%	1,932
Conversion of corporate bonds into common shares	(31,533)
Liability component as of March 31, 2025	$ 354,581

23. Notes Payable and Accounts Payable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes Payable			
Arising from operations - Non-related parties	$ 67	$ 136	$ 228
Accounts Payable			
Arising from operations - Non-related parties	$ 812,478	$ 657,131	$ 627,448
Arising from operations - Related parties (Note 38)	$ 85,728	$ 61,506	$ 44,745

The consolidated company has an average credit period of 1-3 months for the purchase of certain goods, and no interest is charged on accounts payable. The consolidated company has established financial risk management policies to ensure that all payables are paid within pre-agreed credit terms.

24. Other Liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other Payables			
Payables for equipment	$ 168,959	$ 237,957	$ 125,100
Payables for salaries and bonuses	154,105	320,800	154,954
Payables for employee compensation	91,687	75,797	100,663
Payables for directors' compensation	57,250	45,512	67,924
Payables for vacation benefits	23,010	18,519	24,730
Payables for interest	5,396	4,869	3,277
Payables for dividends	578,399	182,479	588,052
Payables for investments (Note 35)	-	-	74,718
Payables for business tax	2,775	20,311	-
Others	270,110	282,649	177,040
	$ 1,351,691	$ 1,188,893	$ 1,316,458
Other payables - related parties (Note 38)	$ 10	$ 12,248	$ 33,699
Other liabilities			
Temporary receipts	$ 1,717	$ 2,270	$ 927
Collections for others	119,223	44,035	84,938
	$ 120,940	$ 46,305	$ 85,865
Non-current			
Other Non-current Liabilities			
Net Defined Benefit Liabilities	$ 38,664	$ 38,471	$ 39,566

25. Provisions

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Warranties	$ 33,905	$ 33,470	$ 30,637

The provision for warranty liabilities is based on the contractual obligations for product sales, representing the present value of the best estimate by the consolidated company's management regarding the outflow of future economic benefits due to warranty obligations. This estimate is based on historical warranty experience and adjusted for events affecting product quality, such as new materials, manufacturing process changes, or other factors.

26. Post-employment Benefit Plans

The pension expenses related to defined benefit plans recognized for the three-month periods ended March 31, 2026 and 2025 were calculated using pension cost rates actuarially determined as of December 31, 2025 and 2024, amounting to NT$366 thousand and NT$344 thousand, respectively.

27. Equity

(1) Common stock capital and stock subscriptions received in advance

	March 31, 2026	December 31, 2025	March 31, 2025
Authorized shares (thousand shares)	150,000	150,000	150,000
Authorized capital	$ 1,500,000	$ 1,500,000	$ 1,500,000
Number of issued and fully paid shares (thousand shares)	96,041	96,041	95,850
Issued capital	$ 960,415	$ 960,415	$ 958,505
Stock Subscriptions Received in Advance	$ -	$ -	$ 1,890

In 2025, the Company's corporate bonds were converted into 93 thousand common shares, with a par value of NT$10 per share, totaling NT$926 thousand.

As of March 31, 2025, bondholders of the Company's convertible bonds have requested to convert unsecured convertible bonds into 189 thousand common shares, which are classified as advance receipts on share capital of NT$1,890 thousand. The Company will complete the registration of changes after issuing new shares on the capital increase record date in accordance with applicable laws.

(2) Capital Surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Can be used to offset losses, distribute cash or transfer to capital(1)			
Share premium	$ 4,412,831	$ 4,412,831	$ 4,412,831
Convertible bond premium	1,855,476	1,855,476	1,854,776
Treasury stock transactions	200,461	200,461	200,461
Difference between the actual acquisition or disposal value of subsidiaries' shares and their book value	118,410	118,410	122,839
Changes in equity of associates and joint ventures accounted for using equity method	1,170	1,170	1,362
Stock warrants - Expired	542	542	-
Can only be used to offset losses(2)			
Recognition of changes in ownership equity of subsidiaries	301,551	301,551	301,670
Changes in equity of associates and joint ventures accounted for using equity method	3,876	3,450	3,450
Cannot be used for any purpose			
Stock warrants	20,101	20,101	20,682
	$ 6,914,418	$ 6,913,992	$ 6,918,071

1. This type of capital reserve can be used to offset losses, and can also be used to distribute cash or to be capitalized when the company has no losses. However, when being capitalized, it is limited to a certain percentage of the paid-in capital each year.

2. This type of capital reserve represents the impact of equity transactions recognized from changes in subsidiaries' equity when the Company has not actually acquired or disposed of subsidiaries' shares, or the adjustment amount from the Company's recognition of subsidiaries' capital reserve under the equity method.

(3) Retained Earnings and Dividend Policy

According to the dividend distribution policy stipulated in the Company's Articles of Incorporation, the Company may distribute profits or make up losses after the end of each half fiscal year. When the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution and then distributed; when it is made in cash, it shall be resolved by the Board of Directors and reported to the shareholders' meeting.

According to the dividend distribution policy stipulated in the Company's Articles of Incorporation, if there is a profit in the annual financial statement, after paying taxes in accordance with the law and offsetting accumulated losses, 10% shall be set aside as legal reserve, followed by the appropriation or reversal of special reserve as required by law; if there is still a balance, it shall be combined with the accumulated undistributed earnings, and the Board of Directors shall propose a profit distribution plan and submit it to the shareholders' meeting for resolution on the distribution of shareholders' dividends.

Please refer to Note 29 (7) Employee Compensation and Directors' Remuneration for the employee and director remuneration distribution policy stipulated in the Company's Articles of Incorporation.

The legal reserve must be set aside until its balance reaches the total amount of the Company's paid-in capital. The legal reserve may be used to offset losses. When the company has no losses, the portion of the legal reserve that exceeds 25% of the total paid-in capital may be capitalized or distributed in cash.

The Company appropriates and reverses special reserve in accordance with the Financial Supervisory Commission's Letters No. 1010012865 and No. 1090150022. When there is a subsequent reversal of the net amount of other equity deduction items, the special reserve may be reversed for the distribution of earnings to the extent of the reversal.

The Company has resolved the distribution of 2024 earnings at the Board of Directors meeting as follows:

	For the six months ended December 31, 2024	**For the six months ended June 30, 2024**
Board resolution date	March 5, 2025	November 6, 2024
Legal Reserve	$ 67,392	$ 49,386
Cash dividend	$ 489,800	$ 364,232
Cash dividend per share (NT$)	$ 5.1	$ 3.8

The aforementioned cash dividend has been allocated by resolution of the Board of Directors, and the remaining distribution items were also resolved at the Annual General Meeting of Shareholders held on May 23, 2025.

The Company made resolutions at the Board of Directors meeting regarding the 2025 earnings distribution as follows:

	July 1 to December 31, 2025	January1 to June 30, 2025
Board resolution date	March 10, 2026	November 6, 2025
Legal Reserve	$ 67,008	$ 25,336
Cash dividend	$ 480,207	$ 182,479
Cash dividend per share (NT$)	$ 5.0	$ 1.9

The aforementioned cash dividend has been allocated by resolution of the Board of Directors, and the remaining earnings distribution items are pending resolution at the Annual General Meeting of Shareholders to be held on May 27, 2026.

(4) Non-controlling interests

	January 1 to March 31, 2026	January 1 to March 31, 2025
Beginning Balance	$ 1,666,187	$ 1,513,277
Net income for the period	33,005	9,178
Earnings distribution for the period	(98,192)	(98,252)
Other comprehensive income for the period		
Exchange Differences on Translating the Financial Statements of Foreign Operations	1,626	1,240
Unrealized Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	28,524	(644)
Acquisition of non-controlling interests from subsidiaries	-	22,146
Non-proportional acquisition of non-controlling interests from subsidiaries (Note 34)	-	8,262
Non-controlling interests related to outstanding vested stock options held by subsidiary employees (Note 32)	-	24,073
Share-based payment transactions (Note 32)	-	65
Ending Balance	$ 1,631,150	$ 1,479,345

28. Revenue

	January 1 to March 31, 2026	January 1 to March 31, 2025
Revenue from contracts with customers		
Sales revenue of commodities	$ 1,524,274	$ 1,447,894
Other operating revenue	340,775	260,902
	$ 1,865,049	$ 1,708,796

(1) Description of contracts with customers

Sales revenue of commodities

Sales revenue of commodities is derived from the manufacture of mask packages, their design services, and sales of semiconductor-related products. Since customers have the right to set prices and use the goods at the time of shipment of mask package products, and bear the primary responsibility for resale and the risk of product obsolescence, and for the sales of semiconductor equipment, the performance obligation is satisfied when the customer accepts the equipment, at which point the customer obtains control of the product, the consolidated company recognizes revenue and accounts receivable at the aforementioned point in time.

(2) Contract balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Accounts receivable (Note 10)	$1,399,488	$1,576,237	$1,663,201	$1,518,929
Accounts receivable - related parties (Note 10)	$ 81,980	$ 8,131	$ 26,440	$ 12,446
Contract liabilities - advance receipts				
Sales of commodities	$ 334,293	$ 284,759	$ 633,839	$ 489,626
Others	17,324	19,912	13,032	9,471
	$ 351,617	$ 304,671	$ 646,871	$ 499,097

(3) Disaggregation of revenue from contracts with customers

For disaggregation of revenue information, please refer to Note 43.

29. Profit before income tax

(1) Interest income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Bank deposits	$ 11,013	$ 13,499
Imputed interest on deposits	20	21
	$ 11,033	$ 13,520

(2) Other income

	January 1 to March 31, 2026	January 1 to March 31, 2025
Rental income		
Investment property	$ 649	$ 8,768
Other rental	4,008	4,008
	4,657	12,776
Sample revenue	-	25,801
Others	8,310	6,428
	$ 12,967	$ 45,005

(3) Other gains and (losses)

	January 1 to March 31, 2026	January 1 to March 31, 2025
Gains and losses on financial assets and financial liabilities		
Financial assets and liabilities mandatorily measured at fair value through profit or loss	$ 57,413	($ 57,062)
Net foreign currency exchange gains	17,073	18,334
Gain on Disposal of Property, Plant and Equipment	3,465	4,515
Others	(13,792)	(466)
	$ 64,159	($ 34,679)

(4) Finance costs

	January 1 to March 31, 2026	January 1 to March 31, 2025
Bank borrowing interest	$ 49,970	$ 35,294
Convertible corporate bond interest	1,862	1,932
Interest on lease liabilities	1,117	1,174
Imputed interest on deposits	-	17
Less: Amount included in cost of qualifying assets	(1,834)	(2,198)
	$ 51,115	$ 36,219

Information related to interest capitalization is as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Capitalized interest amount	$ 1,834	$ 2,198
Interest capitalization rate	1.47%~2.78%	1.95%

(5) Depreciation and amortization

	January 1 to March 31, 2026	January 1 to March 31, 2025
Depreciation expense by function		
Operating costs	$ 105,834	$ 79,943
Operating expenses	64,169	62,790
	$ 170,003	$ 142,733
Amortization expense by function		
Operating costs	$ 1,940	$ 1,847
Operating expenses	14,056	8,596
	$ 15,996	$ 10,443

(6) Employee benefit expenses

	January 1 to March 31, 2026	January 1 to March 31, 2025
Post-employment benefits		
Defined contribution plans	$ 10,990	$ 10,793
Defined benefit plans (Note 26)	366	344
	11,356	11,137
Share-based payment		
Equity-settled	-	134
Other employee benefits	402,834	379,007
Total employee benefit expenses	$ 414,190	$ 390,278
Summarized by function		
Operating costs	$ 155,585	$ 166,642
Operating expenses	258,605	223,636
	$ 414,190	$ 390,278

(7) Employee compensation and directors' compensation

The Company's Articles of Incorporation stipulate that employee compensation and directors' compensation shall be appropriated at no less than 3% and no more than 3%, respectively, from the profit before tax prior to deducting employee and directors' compensation for the year. The estimated employee compensation (including non-managerial employees' compensation) and directors' remuneration for the three-month periods ended March 31, 2026 and 2025 are as follows:

Estimated percentage

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employees’ compensation	3%	3%
Directors' compensation	3%	3%

Amount

	January 1 to March 31, 2026	January 1 to March 31, 2025
Employees’ compensation	$ 9,116	$ 8,733
Directors' compensation	$ 9,115	$ 8,732

If there are still changes in the amount after the approval and issuance of the annual consolidated financial statements, it will be treated as a change in accounting estimate and adjusted in the following year.

The employee compensation and directors' remuneration for 2025 and 2024 were resolved by the Board of Directors on March 10, 2026 and March 5, 2025, respectively, as follows:

Amount

	2025		2024	
	Cash	**Stock**	**Cash**	**Stock**
Employees' compensation	$ 40,106	$ -	$ 41,827	$ -
Directors' compensation	33,798	-	40,713	-

There is no difference between the actual resolved amounts of employee compensation and directors' remuneration for 2025 and 2024 and the amounts recognized in the consolidated financial statements for 2025 and 2024.

For information on employee compensation and directors' compensation resolved by the Company's Board of Directors, please refer to the "Market Observation Post System" of the Taiwan Stock Exchange.

30. Income Tax

(1) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	January 1 to March 31, 2026	January 1 to March 31, 2025
Current income tax		
Incurred for the period	$ 66,379	$ 66,143
Additional levy on undistributed earnings	-	2,394
Adjustments from previous years	652	(9,942)
Non-deductible foreign-source income	10	-
	67,041	58,595
Deferred income tax		
Incurred for the period	(6,841)	8,922
	(6,841)	8,922
Income tax expense recognized in profit or loss	$ 60,200	$ 67,517

(2) Income tax directly recognized in equity

	January 1 to March 31, 2026	January 1 to March 31, 2025
Current income tax		
Disposal of investments in equity instruments measured at fair value through other comprehensive income	$ 38,710	$ -
Income tax directly recognized in equity	$ 38,710	$ -

(3) Income Tax Assessment Status

The Company's income tax returns have been assessed by the tax authorities for up to 2023, except for the 2024 tax year.

31. Earnings Per Share

The earnings and weighted average number of common shares used to calculate earnings per share are as follows:

Net income for the period

	January 1 to March 31, 2026	January 1 to March 31, 2025
Net income used to calculate basic earnings per share	$ 245,148	$ 211,067
Effects of dilutive potential common shares:		
After-tax interest on convertible corporate bonds and valuation gains/losses on conversion options	1,490	2,058
Net income used to calculate diluted earnings per share	$ 246,638	$ 213,125

Number of shares Unit: Thousand shares

	January 1 to March 31, 2026	January 1 to March 31, 2025
Weighted average number of common shares used to calculate basic earnings per share	96,041	96,033
Effects of dilutive potential common shares:		
Employees' compensation	108	85
Convertible corporate bonds	971	1,005
Weighted average number of common shares used to calculate diluted earnings per share	97,120	97,123

If the consolidated company has the option to distribute employee compensation in stocks or cash, then when calculating diluted earnings per share, it is assumed that employee compensation will be distributed in the form of stocks, and these potential common shares are included in the weighted average number of outstanding shares when they have a dilutive effect, in order to calculate diluted earnings per share. When calculating diluted earnings per share before resolving the number of shares for employee compensation in the following year, the dilutive effect of these potential common shares continues to be considered.

32. Share-based Payment Agreements

Employee Share Options Issued By The Subsidiary Plan

The Company's subsidiary Guchii Technology Co., Ltd. (hereinafter referred to as "Guchii Technology") granted 1,900 thousand employee stock options in April 2024, with the recipients being employees of We Solutions.

Information on employee share options is as follows:

	January 1 to March 31, 2025	
Employee share Options	**Units (thousands)**	**Weighted Average Exercise Price (NT$)**
Outstanding at beginning of period	1,900	$ 12.67
Exercised during the period	(1,900)	12.67
Outstanding at end of period	-	-
Exercisable at end of period	-	-
Weighted average fair value of stock options granted during the period (in dollars)	$ 1.2	

For employee stock options exercised from January 1 to March 31, 2025, the weighted average stock price on the exercise date was $12.75.

The employee share options granted by Guchii Technology in April 2024 all used the Black-Scholes valuation model, with the following inputs used in the valuation model:

	April 2024
Grant date market price	NT$12.75
Exercise price	NT$12.67
Expected volatility	26.20%
Duration	9 months
Expected dividend yield	0%
Risk-free interest rate	1.3846%

In January 1 to March 31, 2025, We Solutions recognized a compensation cost of NT$134 thousand.

33. Business Combinations

(1) Acquisition of Subsidiaries

	Main Operating Activities	Acquisition Date	Voting Ownership Interest/Acquisition Percentage (%)	Transfer Consideration
Shanghai Xiangfeng	Wholesale, retail, and leasing of plastic and electronic products	January 22, 2026	100%	$ 53,333

The Consolidated Company's acquisition of Shanghai Xiangfeng on January 22, 2026 was made to further expand the Consolidated Company's operations.

(2) Transfer Consideration

	Shanghai Xiangfeng
Cash	$ 53,333

(3) Assets Acquired and Liabilities Assumed on Acquisition Date

	Shanghai Xiangfeng
Current Assets	
Cash and cash equivalents	$ 3,924
Accounts receivable and other receivables	7
Prepayments	4
Non-current Assets	
Property, plant and equipment	8,939
Current Liabilities	
Accounts payable and other payables	(368)
	$ 12,506

If the measurement of identifiable assets acquired and liabilities assumed in a business combination is not yet complete, they are recognized at provisional amounts on the balance sheet date. During the measurement period, retrospective adjustments are made or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

(4) Goodwill arising from acquisition

	Shanghai Xiangfeng
Transfer Consideration	$ 53,333
Less: Fair value of identifiable net assets acquired	(12,506)
Goodwill arising from acquisition	$ 40,827

The goodwill arising from the acquisition of Shanghai Xiangfeng is primarily attributable to control premium. In addition, the consideration paid for the merger includes the expected synergies from the combination, revenue growth, and future market development. However, these benefits do not meet the recognition criteria for identifiable intangible assets, and therefore are not recognized separately.

Goodwill arising from the merger is not expected to be deductible for tax purposes.

(5) Net cash outflow on acquisition of subsidiaries

	Shanghai Xiangfeng
Consideration paid in cash	$ 53,333
Less: Cash and cash equivalents balance acquired	(3,924)
	$ 49,409

34. Equity transactions with non-controlling interests

In March 2025, the consolidated company acquired shares of Bor Sheng not in proportion to its shareholding ratio, resulting in an decrease in ownership percentage to 90.88%.

	(March 27, 2025) Cypress Precision
Cash consideration received	$ 7,200
The amount of non-controlling interests to be transferred in based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	(6,920)
Difference in equity transactions	$ 280
Adjustment items for equity transaction differences	
Capital surplus - Difference between the actual price of acquisition or disposal of subsidiary shares and their carrying value	$ 280

In January 2025, employees of Guchii Technology, a subsidiary of the consolidated company, exercised employee stock options, causing the consolidated company's ownership percentage to decrease to 51.43%.

	(January 2025) Guchii Technology
Cash consideration received	$ 24,073
The amount of non-controlling interests to be transferred in based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	(25,346)
Difference in equity transactions	($ 1,273)
Adjustment items for equity transaction differences	
Capital surplus - Recognition of changes in ownership interests in subsidiaries	($ 1,273)

35. Cash Flow Information

Non-cash transactions

Except as disclosed in other notes, the Consolidated Company engaged in the following non-cash investing and financing activities during the three-month periods ended March 31, 2026 and 2025:

(1) The Consolidated Company sold owner-occupied land and buildings in 2025; as of December 31, 2025, NT$405,000 thousand had not yet been collected and was recorded under other receivables – related parties (refer to Note 38); the full amount was subsequently recovered in February 2026.

(2) The cash dividends for the second half of 2025, the first half of 2025, and the second half of 2024 approved by the Board of Directors had not yet been distributed as of March 31, 2026, December 31, 2025, and March 31, 2025, respectively (see Notes 24 and 27).

(3) The Company made a new investment in Symtek Automation Asia Co., Ltd. at the end of March 2025. As of March 31, 2025, NT$74,718 thousand had not yet been paid (please refer to Note 24).

36. Capital Risk Management

The consolidated company is currently operating stably, and its capital risk management objective is to ensure that, on the premise of continuing operations and growth, it can maximize shareholder returns by optimizing the balance between debt and equity.

The consolidated company adopts prudent risk management strategies and conducts regular reviews, making comprehensive plans according to business development strategies and operational needs, to determine an appropriate capital structure for the consolidated company.

37. Financial Instruments

(1) Fair Value Information - Financial Instruments Not Measured at Fair Value

The management of the consolidated company believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

(2) Fair Value Information - Financial Instruments Measured at Fair Value on a Recurring Basis

1. Fair Value Hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Derivatives	$ -	$ 107	$ -	$ 107
Domestic publicly traded shares	98,099	-	-	98,099
Domestic Emerging Stocks	72,828	-	-	72,828
Domestic Limited Partnerships	-	-	232,704	232,704
- Non-publicly traded shares	-	-	405,869	405,869
Total	$ 170,927	$ 107	$ 638,573	$ 809,607
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
- Domestic publicly traded placement shares	$ -	$ 272,386	$ -	$ 272,386
- Domestic publicly traded shares	1,692,241	-	-	1,692,241
- Domestic Emerging Stocks	1,123,659	-	-	1,123,659
- Non-publicly traded shares	-	-	212,547	212,547
– Foreign non-publicly traded shares	-	-	111,576	111,576
Total	$2,815,900	$ 272,386	$ 324,123	$3,412,409
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ 888	$ -	$ 888

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Derivatives	$ -	$ 107	$ -	$ 107
Domestic publicly traded shares	112,930	-	-	112,930
Domestic Emerging Stocks	-	17,412	-	17,412
Domestic Limited Partnerships	-	-	128,295	128,295
- Non-publicly traded shares	-	-	387,424	387,424
Total	$ 112,930	$ 17,519	$ 515,719	$ 646,168
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
- Domestic publicly traded placement shares	$ -	$ 107,710	$ -	$ 107,710
- Domestic publicly traded shares	1,325,893	-	-	1,325,893
- Domestic Emerging Stocks	237,702	75,236	-	312,938
- Non-publicly traded shares	-	-	241,248	241,248
– Foreign non-publicly traded shares	-	-	111,576	111,576
Total	$1,563,595	$ 182,946	$ 352,824	$2,099,365
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ 405	$ -	$ 405

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Derivatives	$ -	$ 367	$ -	$ 367
Domestic publicly traded shares	494,753	-	-	494,753
Domestic Emerging Stocks	42,702	-	-	42,702
Domestic Limited Partnerships	-	-	106,581	106,581
Total	$ 537,455	$ 367	$ 106,581	$ 644,403
Financial Assets at Fair Value through Other Comprehensive Income				
Equity Instrument Investments				
- Domestic publicly traded shares	$1,170,755	$ -	$ -	$1,170,755
- Domestic Emerging Stocks	-	229,609	-	229,609
- Non-publicly traded shares	-	-	428,650	428,650
Total	$1,170,755	$ 229,609	$ 428,650	$1,829,014
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ 110	$ -	$ 110

During the three-month period ended March 31, 2026, transfers between Level 1 and Level 2 fair value measurements occurred. This was because the trading volume of the Emerging Stock Market shares held reached the standard of an active market, and the related amounts were therefore transferred from Level 2 to Level 1.

There were no transfers between Level 1 and Level 2 fair value measurements during the three-month period ended March 31, 2025.

2. Reconciliation of Financial Instruments Measured at Level 3 Fair Value

January 1 to March 31, 2026

Financial Assets	Fair Value through Profit or Loss Equity Instruments	Financial Assets at Fair Value through Other Comprehensive Income Equity Instruments	Total
Beginning Balance	$ 515,719	$ 352,824	$ 868,543
Recognized in profit or loss	17,917	-	17,917
Purchase	104,937	102,000	206,937
Transfer Out of Level 3	-	(130,701)	(130,701)
Ending Balance	$ 638,573	$ 324,123	$ 962,696

January 1 to March 31, 2025

Financial Assets	Fair Value through Profit or Loss Equity Instruments	Financial Assets at Fair Value through Other Comprehensive Income Equity Instruments	Total
Beginning Balance	$ 44,212	$ 368,525	$ 412,737
Recognized in profit or loss	(1,351)	-	(1,351)
Purchase	63,720	60,125	123,845
Ending Balance	$ 106,581	$ 428,650	$ 535,231

3. Valuation Techniques and Inputs for Level 2 Fair Value Measurement

Financial Instrument Categories	Valuation Techniques and Inputs
Derivatives - Forward exchange contracts	Discounted cash flow method: Future cash flows are estimated based on observable forward exchange rates at the end of the period and the exchange rates stipulated in the contracts, and are discounted using discount rates that reflect the credit risk of each counterparty.
Derivatives - Convertible Corporate Bond Redemption Options	The fair value is estimated using a binomial tree convertible bond valuation model, with stock price volatility being the significant unobservable input used. When stock price volatility increases, the fair value of these derivatives will increase.
Domestic publicly traded securities	The consolidated company's investment in private common shares is a financial instrument with an active market but is restricted from sale due to a lock-up period. The company determines the fair value of this financial instrument based on relevant market prices.
Emerging stock market securities	The Consolidated Company's investments in common shares have limited trading volume and do not exhibit characteristics of an active market. The Consolidated Company determines the fair value of these financial instruments based on relevant market prices, taking into account a liquidity discount.

4. Valuation Techniques and Inputs for Level 3 Fair Value Measurement

(1) The fair value of non-publicly quoted stocks is based on the market valuation method - using the price-earnings ratio method and price-to-book ratio method as the basis to evaluate a reasonable fair value.

(2) The fair value of limited partnerships is evaluated using the asset-based approach, referring to the net asset value and operating conditions from the recently published financial statements of the investment targets.(

(3) Types of Financial Instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial Assets			
Fair Value through Profit or Loss			
Mandatory Fair Value through Profit or Loss	$ 809,607	$ 646,168	$ 644,403
Financial assets measured at amortized cost (Note 1)	7,759,706	7,690,169	7,038,290
Financial Assets at Fair Value through Other Comprehensive Income			
Equity Instrument Investments	3,412,409	2,099,365	1,829,014
Financial liabilities			
Fair Value through Profit or Loss			
Held for trading	888	405	110
Measured at amortized cost (Note 2)	12,179,478	11,619,432	9,681,258

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivable (including related parties), other receivables (including related parties), and refundable deposits, all of which are financial assets measured at amortized cost.

Note 2: The balance includes financial liabilities measured at amortized cost such as short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties), current portion of long-term borrowings and corporate bonds payable, long-term borrowings, and guarantee deposits received.

(4) Financial Risk Management Objectives and Policies

The consolidated company's major financial instruments include investments in equity instruments, accounts receivable, accounts payable, corporate bonds payable, and borrowings. The above financial instruments are associated with operational financial risks. (including exchange rate risk, interest rate risk, and other price risks), credit risk, and liquidity risk.

1. Market Risk

The consolidated company's operating activities expose it to major financial risks, including foreign currency exchange rate fluctuation risk (see(1) below) and interest rate fluctuation risk (see(2) below).

The consolidated company's exposure to market risks related to financial instruments and its methods of managing and measuring these exposures have not changed.

(1) Exchange Rate Risk

Several subsidiaries of the Company engage in sales and purchase transactions denominated in foreign currencies, thus exposing the consolidated company to exchange rate fluctuation risks. The consolidated company manages its exchange rate exposure by using forward foreign exchange contracts and options within policy-approved limits.

The carrying amounts of the consolidated company's monetary assets and monetary liabilities denominated in non-functional currencies at the balance sheet date (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) are referred to in Note 41.

<u>Sensitivity Analysis</u>

The consolidated company is mainly affected by fluctuations in the US dollar, Japanese yen, and Chinese yuan.

The table below provides a detailed explanation of the consolidated company's sensitivity analysis when the New Taiwan Dollar (functional currency) increases and decreases by 1% against each relevant foreign currency. 1% is the sensitivity ratio used when reporting exchange rate risks to key management personnel within the group, and also represents management's assessment of the reasonably possible range of foreign currency exchange rate fluctuations.

	Impact of US Dollar Currency			Impact of Japanese Yen Currency			Impact of Chinese Yuan Currency		
	January 1 to March 31, 2026	January 1 to March 31, 2025		January 1 to March 31, 2026	January 1 to March 31, 2025		January 1 to March 31, 2026	January 1 to March 31, 2025	
Profit and Loss	$7,337	$9,767	(i)	$ 74	$ 203	(ii)	$ 197	($ 51)	(iii)

(i) This mainly arises from the consolidated company's outstanding US dollar-denominated bank deposits, receivables and payables that have not been hedged for cash flow at the balance sheet date.

(ii) This mainly arises from the consolidated company's outstanding Japanese yen-denominated bank deposits, receivables and payables that have not been hedged for cash flow at the balance sheet date.

(iii) This mainly arises from the consolidated company's outstanding Chinese yuan-denominated receivables and payables that have not been hedged for cash flow at the balance sheet date.

(2) Interest Rate Risk

As entities within the consolidated company borrow funds at both fixed and floating interest rates, this creates interest rate exposure.

The carrying amounts of financial assets and financial liabilities exposed to interest rate risk at the consolidated company's balance sheet date are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
- Financial assets	$ 3,021,484	$ 1,904,720	$ 2,310,800
- Financial liabilities	582,642	559,010	592,262
Cash flow interest rate risk			
- Financial assets	3,168,157	3,696,392	2,933,967
- Financial liabilities	9,580,610	9,352,242	7,297,237

Sensitivity Analysis

The following sensitivity analysis is determined based on the interest rate exposure of derivative and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at the balance sheet date was outstanding throughout the reporting period. The rate of change used by the Group when reporting interest rates to key management internally is an increase or decrease of 25 basis points, which also represents management's assessment of the reasonable possible range of interest rate fluctuations.

If interest rates increased/decreased by 25 basis points, with all other variables held constant, the Consolidated Company's pre-tax net income for the three-month periods ended March 31, 2026 and 2025 would decrease/increase by NT$4,008 thousand and decrease/increase by NT$2,727 thousand, respectively.

(3) Other price risks

The consolidated company has equity price exposure arising from equity securities and domestic limited partnership investments. The consolidated company's management manages risk by holding diversified risk investment portfolios.

Sensitivity Analysis

The following sensitivity analysis is conducted based on the equity price exposure at the balance sheet date.

If equity prices increased/decreased by 10%, the pre-tax profit or loss for the three-month periods ended March 31, 2026 and 2025 would increase/decrease by NT$80,950 thousand and NT$64,404 thousand, respectively, due to the increase/decrease in fair value of financial assets at fair value through profit or loss. The pre-tax other comprehensive income for the three-month periods ended March 31, 2026 and 2025 would increase/decrease by NT$341,241 thousand and NT$182,901 thousand, respectively, due to the increase/decrease in fair value of financial assets at fair value through other comprehensive income.

The Consolidated Company's sensitivity to price risk increased during the current period, primarily due to an increase in equity securities investments held.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the group. As of the balance sheet date, the maximum credit risk exposure that may cause financial loss to the consolidated company due to counterparty failure to fulfill obligations and financial guarantees provided by the consolidated company mainly comes from:

(1) The carrying amount of financial assets recognized in the consolidated balance sheet.

(2) The amount of contingent liabilities arising from financial guarantees provided by the consolidated company.

The policy adopted by the consolidated company is to only transact with creditworthy counterparties and obtain sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults. To mitigate credit risk, the consolidated company's management has assigned a dedicated team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure appropriate actions are taken for the collection of overdue receivables. Furthermore, the consolidated company reviews the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been recognized for irrecoverable receivables. Accordingly, the Company's management believes that the consolidated company's credit risk has been significantly reduced. Therefore, the credit risk is limited.

The Consolidated Company's credit risk is primarily concentrated in its largest customer. As of March 31, 2026, December 31, 2025, and March 31, 2025, the proportions of total accounts receivable from the aforementioned customer were 12%, 43%, and 24%, respectively.

3. Liquidity Risk

The consolidated company manages and maintains sufficient positions of cash and cash equivalents to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the consolidated company monitors the use of bank financing facilities and ensures compliance with loan agreement terms.

Bank loans are an important source of liquidity for the consolidated company. As of March 31, 2026, December 31, 2025, and March 31, 2025, for the Consolidated Company's unused short-term bank credit facilities, please refer to the description of credit facilities in(2) below.

(1) Liquidity of Non-derivative Financial Liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the consolidated company may be required to pay, using undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, bank loans that the consolidated company may be required to repay immediately are included in the earliest period in the table below, regardless of the probability of the banks immediately exercising this right; the maturity analysis of other non-derivative financial liabilities is prepared based on the scheduled repayment dates.

March 31, 2026

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	$ 67	$ -	$ -	$ -	$ -	$ 67
Accounts Payable	898,206	-	-	-	-	898,206
Other Payables	1,346,305	-	-	-	-	1,346,305
Lease liabilities	50,458	43,104	30,215	26,992	109,216	259,985
Guarantee deposits received	-	2,289	-	-	-	2,289
Other Current Liabilities	120,940	-	-	-	-	120,940
Borrowings	2,053,313	4,036,826	661,094	2,829,377	-	9,580,610
Convertible bonds	356,100	-	-	-	-	356,100
	$ 4,825,389	$ 4,082,219	$ 691,309	$ 2,856,369	$ 109,216	$12,564,502

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	$ 50,458	$ 43,104	$ 30,215	$ 26,992	$ 109,216

December 31, 2025

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	$ 136	$ -	$ -	$ -	$ -	$ 136
Accounts Payable	718,637	-	-	-	-	718,637
Other Payables	1,196,272	-	-	-	-	1,196,272
Lease liabilities	66,403	50,365	30,067	17,968	102,197	267,000
Guarantee deposits received	-	2,006	-	-	-	2,006
Other Current Liabilities	46,305	-	-	-	-	46,305
Borrowings	1,064,334	4,407,964	536,099	3,343,845	-	9,352,242
Convertible bonds	356,100	-	-	-	-	356,100
	$ 3,448,187	$ 4,460,335	$ 566,166	$ 3,361,813	$ 102,197	$11,938,698

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	$ 66,403	$ 50,365	$ 30,067	$ 17,968	$ 102,197

March 31, 2025

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	$ 228	$ -	$ -	$ -	$ -	$ 228
Accounts Payable	672,193	-	-	-	-	672,193
Other Payables	1,346,880	-	-	-	-	1,346,880
Lease liabilities	58,732	43,319	40,813	32,020	102,392	277,276
Guarantee deposits received	-	10,139	-	-	-	10,139
Other Current Liabilities	85,865	-	-	-	-	85,865
Borrowings	1,466,528	1,526,758	827,049	3,476,902	-	7,297,237
Convertible bonds	366,400	-	-	-	-	366,400
	$ 3,996,826	$ 1,580,216	$ 867,862	$ 3,508,922	$ 102,392	$10,056,218

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	$ 58,732	$ 43,319	$ 40,813	$ 32,020	$ 102,392

(2) Financing Facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loan facilities (renewable upon mutual agreement)			
Amount utilized	$ 5,295,351	$ 4,995,052	$ 3,075,623
Unused amount	3,174,678	3,326,663	890,000
	$ 8,470,029	$ 8,321,715	$ 3,965,623
Secured bank loan facilities (renewable upon mutual agreement)			
Amount utilized	$ 4,279,863	$ 4,352,321	$ 4,218,337
Unused amount	3,212,466	1,843,660	1,499,930
	$ 7,492,329	$ 6,195,981	$ 5,718,267

38. Related Party Transactions

Transactions, account balances, revenues, and expenses between the Company and its subsidiaries (which are related parties of the Company) are fully eliminated upon consolidation and are therefore not disclosed in this note. Apart from those disclosed in other notes, transactions between the consolidated company and other related parties are as follows.

(1) Names of Related Parties and Their Relationships

Names of Related Parties	Relationship with the Consolidated Company
Jin Peng Investment Co., Ltd. (hereinafter referred to as Jin Peng)	Substantial related party
Sheng Jie Investment Co., Ltd. (hereinafter referred to as Sheng Jie)	Substantial related party
Yun Sheng Investment Co., Ltd. (hereinafter referred to as Yun Sheng)	Substantial related party
Onore King Taiwan International Marketing Co., Ltd. (hereinafter referred to as Onore King)	Substantial related party
Laien Parts Technology Co., Ltd. (hereinafter referred to as Laien Parts)	Substantial related party
Giga Computing Technology Co., Ltd. (hereinafter referred to as Giga Computing)	Substantial related party
Sun Bright Technology Co., Ltd. (hereinafter referred to as Sun Bright)	Substantial related party
Symtek Automation Asia Co., Ltd. (hereinafter referred to as Symtek)	Substantial related party
Symtek Automation Asia (DongGuan) Co., Ltd. (hereinafter referred to as Symtek (DongGuan))	Substantial related party
Jau Yeou Industry Co., Ltd. (hereinafter referred to as Jau Yeou)	Substantial related party
Lo, Tsai-Fang	Substantial related party
Chongqing Huanmei Electronic Co., Ltd. (hereinafter referred to as Chongqing Huanmei)	Associates
Global Magic Electronic Co., Ltd. (hereinafter referred to as Global Magic)	Associates
Jin Hui Technology Co., Ltd. (hereinafter referred to as Jin Hui)	Associates
YAHO System Technology Co., Ltd. (hereinafter referred to as YAHO)	Associates
i Analyzer Incorporation (hereinafter referred to as i Analyzer Company)	Associates

(2) Operating Revenue

Items Listed in Account	Related Party Categories	January 1 to March 31, 2026	January 1 to March 31, 2025
Sales Revenue	Substantial related party	$ 76,472	$ 2,719
	Associates	-	13,795
		$ 76,472	$ 16,514

The consolidated company's selling prices to related parties are comparable to those of general customers.

(3) Purchases

Items Listed in Account	Related Party Categories	January 1 to March 31, 2026	January 1 to March 31, 2025
Cost of Goods Sold	Substantial related party	$ 11	$ -
	Associates	81,239	42,059
		$ 81,250	$ 42,059

Purchases are made based on market prices with discounts, reflecting the quantity purchased and the relationship with the related party.

(4) Contract Liabilities

Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Chongqing Huanmei	$ -	$ -	$ 8,112

(5) Receivables from Related Parties (Excluding Loans to Related Parties)

Items Listed in Account	Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Accounts Receivable - Related Party	Giga Computing	$ 71,273	$ 255	$ -
	Symtek	929	475	502
	Symtek Automation China Co., Ltd.	1,071	6	-
	Chongqing Huanmei	8,707	7,333	25,938
	Global Magic	-	62	-
		$ 81,980	$ 8,131	$ 26,440
Other Receivables - Related Party	Onore King	$ 13	$ -	$ 13
	Laien Parts	25	12	11
	Giga Computing	-	405,000	-
	Symtek	-	984	-
	Jin Hui	8	12	5
	YAHO	-	126	76
		$ 46	$ 406,134	$ 105

No collateral is held for outstanding receivables from related parties. No loss allowance was provided for receivables from related parties for the three-month periods ended March 31, 2026 and 2025.

(6) Payables to Related Parties (Excluding Loans from Related Parties)

Items Listed in Account	Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Accounts Payable - Related Party	Laien Parts	$ 12	$ -	$ -
	Symtek	3,008	-	5,709
	Jau Yeou	-	-	6
	Chongqing Huanmei	22,298	18,631	10,757
	Jin Hui	24,925	17,531	7,024
	YAHO	35,485	25,239	21,249
	i Analyzer Company	-	105	-
		$ 85,728	$ 61,506	$ 44,745
Other Payables - Related Party	Laien Parts	$ 10	$ 10	$ 10
	YAHO	-	12,238	33,689
		$ 10	$ 12,248	$ 33,699

Outstanding payables to related parties are not secured by collateral.

(7) Prepayments

Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Symtek	$ 4,650	$ 1,785	$ -
YAHO	6,746	6,746	6,746
	$ 11,396	$ 8,531	$ 6,746

(8) Property, Plant and Equipment Acquired

Names of Related Parties	Acquisition Cost	
	January 1 to March 31, 2026	January 1 to March 31, 2025
YAHO	$ -	$ 32,085

(9) Lease Agreements

Items Listed in Account	Related Party Categories	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	Substantial related party	$ 669	$ 813	$ -

Lease Expenses

Lessor	Subject Matter	Leasing Method and Rental Payment Terms	Lease Expenses January 1 to March 31, 2026	Lease Expenses January 1 to March 31, 2025
Substantial related party	Employee Dormitory	Monthly rent of NT$182 thousand, paid monthly.	$ 546	$ 704
Substantial related party	Warehouse	Monthly rent of NT$150 thousand, paid monthly.	$ 450	$ 450
Substantial related party	Factory Building	Monthly rent of NT$245 thousand, paid monthly.	$ 736	$ 736
Associates	Factory Building	Monthly rent of RMB 250 thousand, paid monthly.	$ 3,426	$ 3,384

(10) Lease Agreements

1. Other advance receipts (listed as contract liabilities) are summarized as follows:

Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Sheng Jie	$ 5	$ 8	$ 5
Yun Sheng	5	8	5
Jin Peng	5	8	5
Onore King	9	-	9
	$ 24	$ 24	$ 24

2. The total amount of future lease payments to be received is summarized as follows:

Related Party Categories	March 31, 2026	December 31, 2025	March 31, 2025
Substantial related party	$ 24	$ 36	$ 217

3. Guarantee deposits are summarized as follows:

Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Sheng Jie	$ 2	$ 2	$ 2
Yun Sheng	2	2	2
Jin Peng	2	2	2
Onore King	2	2	2
YAHO	422	126	-
	$ 430	$ 134	$ 8

4. Lease income is summarized as follows:

Lessee	Subject Matter	Leasing Method and Rental Payment Terms	January 1 to March 31, 2026	January 1 to March 31, 2025
Substantial related party	Office	Monthly rent of 1 thousand dollars, paid monthly.	$ 12	$ 12
Associates	Office	Monthly rent of US$16 thousand, paid monthly.	1,413	-
	Employee Dormitory	Monthly rent of US$12 thousand, paid monthly.	895	-
			$ 2,320	$ 12

(11) Transactions with Other Related Parties

1. Other Assets and Liabilities

Items Listed in Account	Names of Related Parties	March 31, 2026	December 31, 2025	March 31, 2025
Refundable Deposits	Sheng Jie	$ 103	$ 103	$ 103
	Yun Sheng	300	300	300
		$ 403	$ 403	$ 403
Collections for others	Giga Computing	$ 88,437	$ -	$ -
	Sun Bright	24,836	36,686	78,190
		$ 113,273	$ 36,686	$ 78,190
Temporary receipts	YAHO	$ 2	$ 1	$ -

2. Manufacturing Expenses

Items Listed in Account	Related Party Categories	January 1 to March 31, 2026	January 1 to March 31, 2025
Manufacturing Expenses	Substantial related party	$ 422	$ 746

3. Other Income

Items Listed in Account	Related Party Categories	January 1 to March 31, 2026	January 1 to March 31, 2025
Other Income	Substantial related party	$ 134	$ 40
	Associates	33	14
		$ 167	$ 54

4. Other gains and losses

Items Listed in Account	Related Party Categories	January 1 to March 31, 2026	January 1 to March 31, 2025
Compensation for losses	Associates	$ 13,704	$ -

(12) Compensation of Key Management Personnel

	January 1 to March 31, 2026	January 1 to March 31, 2025
Short-term Employee Benefits	$ 35,361	$ 30,050

Compensation for directors and other key management personnel is determined by the Compensation Committee based on individual performance and market trends.

39. Pledged Assets

The following assets have been provided as collateral for financing loans:

	March 31, 2026	December 31, 2025	March 31, 2025
Pledged time deposits (recognized under financial assets measured at amortized cost)	$ 141,832	$ 150,852	$ 141,802
Pledged deposits (recognized under financial assets measured at amortized cost)	38,324	38,628	90,382
Owned Land	2,390,519	2,391,127	2,362,059
Buildings - net	784,483	789,165	540,472
Investment property	251,884	252,016	655,772
Property Under Construction	404,948	261,877	-
	$ 4,011,990	$ 3,883,665	$ 3,790,487

40. Significant Contingent Liabilities, Unrecognized Contractual Commitments and Subsequent Events

In addition to those mentioned in other notes, the consolidated company has the following significant commitments and contingencies as of the balance sheet date:

(1) Significant Commitments

1. As of March 31, 2026, the Consolidated Company issued guarantee notes totaling NT$415,935 thousand (including long-term and short-term borrowings) for applying for credit facilities from financial institutions.
2. The Consolidated Company has contractual commitments with various suppliers to purchase equipment with a total contract value of NT$5,135,228 thousand. As of March 31, 2026, NT$1,015,177 thousand has been paid, which is recorded as prepayments for equipment of NT$571,409 thousand, properties under construction of NT$151,290 thousand, and construction in progress of NT$292,478 thousand. The remaining NT$4,120,051 thousand has not yet been paid.
3. As of March 31, 2026, the consolidated company's remaining committed investment amount for signed limited partnership fund contracts that has not yet been invested is NT$520,000 thousand.
4. The Consolidated Company's unrecognized contractual commitments are as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Payments for Property, Plant and Equipment	$ 420,000	$ -	$ -

(2) Contingent Matters

The Company's R.O.C. Invention Patent No. I238804 was infringed upon without authorization by Entegris Inc. (hereinafter referred to as "Entegris") and others, causing damages to the Company. The Company filed a damage compensation lawsuit with the Intellectual Property and Commercial Court, requesting that the aforementioned parties jointly and severally compensate the Company in the amount of NT$100 million. After hearing by the first and second instance courts, the claim was dismissed as groundless. The Company appealed the judgment to the Supreme Court and retained attorneys at Formosa Transnational Attorneys at Law to represent and handle the case. On November 5, 2025, the Supreme Court dismissed the appeal, and the case became final.

Entegris Inc. filed a lawsuit against the Company at the Intellectual Property Division of the Intellectual Property and Commercial Court, claiming that the Company infringed upon its R.O.C. Invention Patent No. I830642 and seeking damages of NT$30 million. After hearing the case, the Court rendered an interlocutory judgment on May 13, 2026, dismissing the plaintiff's claim, and the first-instance proceedings concluded with a finding of non-infringement.

Based on the assessment, this case is not expected to have a material impact on the Company's financial position or business operations.

(3) Subsequent Events

On March 10, 2026, the Company's Board of Directors resolved to issue the 5th and 6th domestic unsecured convertible bonds, and the issuance became effective upon filing on April 22, 2026.

41. Information on Foreign Currency Assets and Liabilities with Significant Impact

The following information is presented as a summary of foreign currencies other than the functional currency of each entity within the consolidated company. The exchange rates disclosed refer to the rates used to convert these foreign currencies into the functional currency. Foreign currency assets and liabilities with significant impact are as follows:

March 31, 2026

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign Currency Assets			
Monetary Items			
USD	$ 28,851	31.995 (USD: NTD)	$ 923,088
JPY	95,941	0.2005 (Japanese Yen: New Taiwan Dollar)	19,236
RMB	5,766	4.629 (Chinese Yuan: New Taiwan Dollar)	26,691
			$ 969,015
Foreign Currency Liabilities			
Monetary Items			
USD	5,919	31.995 (USD: NTD)	$ 189,378
JPY	58,859	0.2005 (Japanese Yen: New Taiwan Dollar)	11,801
RMB	1,512	4.629 (Chinese Yuan: New Taiwan Dollar)	6,999
			$ 208,178

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign Currency Assets			
Monetary Items			
USD	$ 24,025	31.43 (USD: NTD)	$ 755,106
JPY	7,480	0.201 (Japanese Yen: New Taiwan Dollar)	1,503
RMB	4,208	4.496 (Chinese Yuan: New Taiwan Dollar)	18,919
			$ 775,528
Foreign Currency Liabilities			
Monetary Items			
USD	4,460	31.43 (USD: NTD)	$ 140,178
JPY	4,241	0.201 (Japanese Yen: New Taiwan Dollar)	852
RMB	7,968	4.496 (Chinese Yuan: New Taiwan Dollar)	35,824
			$ 176,854

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign Currency Assets			
Monetary Items			
USD	$ 34,752	33.205 (USD: NTD)	$ 1,153,940
JPY	91,355	0.2227 (Japanese Yen: New Taiwan Dollar)	20,345
EUR	211	35.97 (EUR: NTD)	7,590
RMB	776	4.573 (Chinese Yuan: New Taiwan Dollar)	3,549
			$ 1,185,424
Foreign Currency Liabilities			
Monetary Items			
USD	5,338	33.205 (USD: NTD)	$ 177,248
RMB	1,901	4.573 (Chinese Yuan: New Taiwan Dollar)	8,693
			$ 185,941

The Consolidated Company recognized net foreign exchange gains (realized and unrealized) of NT$17,073 thousand and NT$18,334 thousand for the three-month periods ended March 31, 2026 and 2025, respectively. Due to the variety of foreign currency transactions and the multiple functional currencies of group entities, it is not practicable to disclose exchange gains and losses by each significant foreign currency.

42. Supplementary Disclosures

(1) Information on Significant Transactions

Number	Item	Description
1	Loans to Others.	None
2	Endorsements/Guarantees for Others.	Table 1
3	Significant securities held at period end. (Excluding Investments in Subsidiaries, Associates and Joint Ventures)	Table 2
4	Purchases or Sales with Related Parties Reaching NT$100 Million or 20% of Paid-in Capital or More.	None
5	Receivables from Related Parties Reaching NT$100 Million or 20% of Paid-in Capital or More.	Table 3
6	Others: Business Relationships and Significant Intercompany Transactions between the Parent Company and its Subsidiaries, and among Subsidiaries, and the Amounts thereof.	Table 4

(2) Information on reinvestment business (Table 5)

(3) Information on Investment in Mainland China:

Number	Item	Description
1	Names of investee companies in Mainland China, their main business activities, paid-in capital, investment method, inward and outward remittance of funds, ownership percentage, profit or loss for the period and recognized investment gain or loss, ending investment carrying amount, investment income remitted back to Taiwan, and limits on investment in Mainland China.	Table 6
2	Significant transactions that have occurred directly or indirectly through a third area with investee companies in Mainland China, including their prices, payment terms, and unrealized gains or losses:	
	(1) Purchase amount and percentage, and the ending balance and percentage of related accounts payable.	Table 7
	(2) Sales amount and percentage, and the ending balance and percentage of related accounts receivable.	Table 7
	(3) Amount of property transactions and the resulting gain or loss.	None
	(4) Ending balance of endorsements/guarantees or collateral provided and their purpose.	Table 1
	(5) Maximum balance of financing, ending balance, interest rate range, and total interest for the current period.	None
	(6) Other transaction matters that have a significant impact on the current profit or loss or financial position, such as the provision or receipt of services, etc.	Table 7

43. Segment Information

Information provided to the chief operating decision maker for allocating resources and assessing segment performance focuses on the types of products or services delivered or provided. The reportable segments of the consolidated company are as follows:

Semiconductor - Carriers.

Semiconductor - Equipment manufacturing.

Others

(1) Segment Revenue and Operating Results

The consolidated company's revenue and operating results analyzed by reportable segment are as follows:

	January 1 to March 31, 2026				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Revenue					
Revenue from External Customers	$ 1,459,526	$ 263,796	$ 141,727	$ -	$ 1,865,049
Intersegment Revenue	324,923	1,490	14,538	(340,951)	-
Interest Income	4,457	3,914	2,662	-	11,033
Total Revenue	$ 1,788,906	$ 269,200	$ 158,927	($ 340,951)	$ 1,876,082
Interest Expense	$ 48,199	$ 747	$ 2,198	($ 29)	$ 51,115
Depreciation and Amortization	$ 145,359	$ 11,521	$ 29,119	$ -	$ 185,999
Segment (Loss) Profit	$ 323,891	$ 47,288	$ 6,517	($ 39,343)	$ 338,353

	January 1 to March 31, 2025				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Revenue					
Revenue from External Customers	$ 1,391,770	$ 225,011	$ 92,015	$ -	$ 1,708,796
Intersegment Revenue	182,633	24,204	34	(206,871)	-
Interest Income	7,778	4,901	841	-	13,520
Total Revenue	$ 1,582,181	$ 254,116	$ 92,890	($ 206,871)	$ 1,722,316
Interest Expense	$ 34,416	$ 797	$ 1,050	($ 44)	$ 36,219
Depreciation and Amortization	$ 118,645	$ 10,033	$ 24,498	$ -	$ 153,176
Segment (Loss) Profit	$ 280,429	$ 47,390	($ 40,587)	$ 530	$ 287,762

(2) Segment Assets and Liabilities

	March 31, 2026				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	$25,626,668	$ 2,844,393	$ 5,891,196	($ 8,334,848)	$26,027,409
Segment Liabilities	$12,452,657	$ 1,322,461	$ 723,628	($ 1,332,139)	$13,166,607

	December 31, 2025				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	$23,446,280	$ 2,568,392	$ 4,530,404	($ 6,778,545)	$23,766,531
Segment Liabilities	$11,863,920	$ 956,660	$ 687,934	($ 1,151,503)	$12,357,011

	March 31, 2025				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	$20,636,533	$ 2,767,370	$ 3,456,459	($ 4,804,964)	$22,055,398
Segment Liabilities	$ 9,339,919	$ 1,332,273	$ 628,287	($ 384,030)	$10,916,449

For the purpose of monitoring segment performance and allocating resources to segments:

1. All assets, except for investments in associates accounted for using the equity method, other financial assets, and current and deferred tax assets, are allocated to the reportable segments. Goodwill has been allocated to the reportable segments. Assets used jointly by reportable segments are allocated on the basis of the revenue earned by individual reportable segments; and

2. All liabilities, except for borrowings, other financial liabilities, and current and deferred tax liabilities, are allocated to the reportable segments. Liabilities attributable jointly to reportable segments are allocated in proportion to segment assets.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

ENDORSEMENT AND GUARANTEE FOR OTHERS

January 1 to March 31, 2026

Table 1 Unit: New Taiwan Dollar and foreign currency in thousands, unless otherwise stated

Number (Note 1)	Name of endorsing/ guaranteeing company	Entity being endorsed/guaranteed		Endorsement and guarantee limit for a single enterprise (Note 3)	Maximum balance of endorsement and guarantee for the current period	Ending balance of endorsement and guarantee	Actual amount drawn	Amount of endorsements and guarantees secured by collateral	Ratio of accumulated endorsement and guarantee amount to the net worth of the most recent financial statements (%)	Maximum Amount of Endorsement/ Guarantee (Note 3)	Endorsement and guarantee from parent company to subsidiaries	Endorsement and guarantee from subsidiaries to parent company	Endorsement and guarantee for Mainland China	Notes
		Company Name	Relationship (Note 2)											
0	Gudeng Precision Industrial Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	(2)	$ 2,245,930	$ 576,310 (RMB124,500)	$ 576,310 (RMB124,500)	$ 400,117	$ -	5.1%	$ 5,614,826	Y	N	Y	
0	Gudeng Precision Industrial Co., Ltd.	Gudeng Japan Co., LTD	(2)	2,245,930	850,549 (JYP4,155,100)	833,098 (JYP4,155,100)	480,654	-	7.4%	5,614,826	Y	N	N	
0	Gudeng Precision Industrial Co., Ltd.	JYR Aviation Components Co., Ltd.	(2)	2,245,930	90,000	90,000	-	-	0.8%	5,614,826	Y	N	N	
0	Gudeng Precision Industrial Co., Ltd.	Dachuan Plastic Industrial (Kunshan) Co., Ltd.	(2)	2,245,930	555,480 (RMB120,000)	555,480 (RMB120,000)	226,236	-	5.0%	5,614,826	Y	N	Y	
0	Gudeng Precision Industrial Co., Ltd.	Efount international Co., Ltd.	(2)	2,245,930	65,000	65,000	50,000	-	0.6%	5,614,826	Y	N	N	
1	Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	(4)	64,707	23,145 (RMB 5,000)	23,145 (RMB 5,000)	23,145	-	7.2%	161,768	N	N	Y	

Note 1: The numbering column should be completed as follows:

(1) Issuer fills in 0.

(2) Invested companies are numbered sequentially starting from Arabic numeral 1 according to company category.

Note 2: The relationship between the endorser/guarantor and the endorsed/guaranteed party is as follows:

(1) Companies with business relationships.

(2) Subsidiaries in which the company directly holds more than 50% of ordinary shares.

(3) Invested companies in which the parent company and subsidiaries jointly hold more than 50% of ordinary shares.

(4) Parent companies that directly or indirectly hold more than 50% of ordinary shares in the company through subsidiaries.

Note 3: Calculation method and amount of endorsement/guarantee limits:

1. Endorsement and guarantee limit for a single enterprise:

(1) According to the Company's endorsement/guarantee operating procedures, the endorsement/guarantee limit for a single enterprise shall not exceed 20% of the Company's current net worth (2026.03.31).

(2) According to the Company's endorsement/guarantee operating procedures, the endorsement/guarantee limit for a single overseas affiliated company shall not exceed 20% of the Company's current net worth (2026.03.31).

2. Maximum limit of endorsement and guarantee:

(1) According to the Company's endorsement/guarantee operating procedures, the cumulative limit for external endorsements/guarantees shall not exceed 50% of the Company's current net worth (2026.03.31).

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

SIGNIFICANT SECURITIES HELD AT PERIOD END.

March 31, 2026

Table 2

Unit: In Thousands of New Taiwan Dollars, except for number of shares

Holding Company	Types and Names of Securities (Note 1)	Relationship with the Securities Issuer	Account Classification	End of Period				Notes
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair value	
Gudeng Precision Industrial Co., Ltd.	Listed Companies							
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	7,651,564	$ 1,277,811	9.31	$ 1,277,811	—
	MicroProgram Information Co., Ltd	—	〃	4,000,000	251,719	7.22	251,719	Note 2
	Non-publicly traded shares							
	Graphen Drugomics, Inc.	—	〃	5,000,000	111,576	6.64	111,576	—
					$ 1,641,106		$ 1,641,106	
	Domestic Limited Partnerships							
	Oasis Ventures Fund I, L.P. Fund.	—	Financial assets at fair value through profit or loss - non-current	-	$ 232,704	-	$ 232,704	—
Gudeng Equipment Co., Ltd.	Listed Companies							
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	208,000	$ 34,736	0.25	$ 34,736	—
	Emerging Stock Company							
	Chyi Ding Technologies Co., Ltd.	—	〃	500,000	60,690	1.19	60,690	—
					$ 95,426		$ 95,426	
Gudeng Venture Capital Co., Ltd.	Listed Companies							
	SynPower Co., Ltd.	—	Financial assets at fair value through profit or loss - current	364,000	$ 26,099	1.00	$ 26,099	—
	Foxwell Power Co., Ltd.	—	〃	1,000,000	72,000	1.35	72,000	—
	Asia Neo Tech Industrial Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	2,096,000	342,696	6.48	342,696	—
	Symtek Automation Asia Co., Ltd.	Substantial related party	〃	221,545	36,998	0.27	36,998	—
	Emerging Stock Company							
	Chyi Ding Technologies Co., Ltd.	—	Financial assets at fair value through profit or loss - current	600,000	72,828	1.43	72,828	—
	Chyi Ding Technologies Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	558,422	67,781	1.33	67,781	—
	GMT GLOBAL INC.	—	〃	326,519	82,015	0.78	82,015	—
	Certain Micro Application Technology Inc.	—	〃	758,495	397,429	3.31	397,429	—
	KoJem International Co., Ltd.	—	〃	314,533	57,729	1.26	57,729	—
					$ 1,155,575		$ 1,155,575	

(Continued on the next page)

(Continued from the previous page)

Holding Company	Types and Names of Securities (Note 1)	Relationship with the Securities Issuer	Account Classification	End of Period				Notes
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair value	
Gudeng Venture Capital Co., Ltd.	Non-publicly traded company							
	NanoClean Materials Co., LTD.	—	Financial assets at fair value through other comprehensive income - non-current	1,000,000	$ 780	10.00	$ 780	—
	Jiurun Precision Technology Co., Ltd.	—	〃	932,000	42,965	16.00	42,965	—
	Origin Precision Technology Co., Ltd.	—	〃	590,000	6,478	19.67	6,478	—
	Shun Jih Fa Co., Ltd.	Substantial related party	〃	3,900,000	40,248	15.00	40,248	—
	ShuChen AI Co., Ltd.	—	〃	2,571,400	12,060	10.00	12,060	—
	TE-SHIN Precision Technology CO., LTD.	—	〃	3,000,000	102,000	5.01	102,000	—
					$ 204,531		$ 204,531	
Gu Chance Venture Capital CO., LTD.	Listed Companies							
	GreenFiltec Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	400,000	$ 20,667	1.31	$ 20,667	Note 2
	Emerging Stock Company							
	Nytex Composites Co., Ltd.	—	〃	3,440,000	401,999	5.00	401,999	—
	Santa phoenix technology co., ltd.	—	〃	300,000	56,016	1.13	56,016	—
	Non-publicly traded company							
	Chung King Enterprise Co., Ltd.	—	Financial assets at fair value through profit or loss - current	1,199,000	368,932	6.00	368,932	—
	COHO Advanced Materials Tech. Co., Ltd.	—	〃	800,000	12,000	5.82	12,000	—
	Successful Heart Technology Co., Ltd.	—	〃	712,500	24,937	5.00	24,937	—
	SteadyBeat Technology Corporation.	—	Financial assets at fair value through other comprehensive income - non-current	428,571	5,516	3.92	5,516	—
	Jia Ying Applied Materials Co., Ltd.	—	〃	250,000	2,500	17.86	2,500	—
					$ 892,567		$ 892,567	

Note 1: The term "securities" as used in this table refers to stocks, bonds, beneficiary certificates, and derivative securities that fall within the scope of IFRS 9 "Financial Instruments".

Note 2: These are private placement common shares, which are financial products that have an active market but cannot be sold due to lock-up period restrictions. The fair value of these financial products is determined based on relevant market prices.

Note 3: The securities held by the Consolidated company, except as disclosed in the remarks, are not provided as guarantees, pledged for loans, or restricted by other contractual arrangements.

Note 4: This table presents securities that the Company has determined should be disclosed based on the materiality principle.

Note 5: For information related to investments in subsidiaries, associates and joint venture interests, please refer to Schedule 5 and Schedule 6.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2026

Table 3

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

Company with Listed Receivables	Name of transaction counterparty	Relationship	Balance of Related Party Receivables (Note 1)	Turnover Rate	Overdue Related Party Receivables		Amount of Related Party Receivables Collected Subsequent to Period End	Amount of Allowance for Loss Recognized
					Amount	Treatment Method		
Gudeng Precision Industrial Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	Same affiliated company	Accounts Receivable $ 123,895	4.13	$ -	—	$ -	$ -

Note 1: Please list separately by related party accounts receivable, notes receivable, other receivables, etc.

Note 2: The paid-in capital refers to the paid-in capital of the parent company. In the case of an issuer whose stocks have no par value or a par value other than NT$10 per share, the transaction amount requirement of 20% of paid-in capital shall be calculated as 10% of equity attributable to owners of the parent as stated in the balance sheet.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS BETWEEN PARENT AND SUBSIDIARIES

January 1 to March 31, 2026

Table 4

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

Number (Note 1)	Transaction party name	Counterparty to transaction	Relationship with transaction party (Note 2)	Transaction situation			
				Classification	Amount	Transaction terms (Note 4)	Percentage of consolidated total revenue or total assets (Note 3)
0	Gudeng Precision Industrial Co., Ltd.	Guchii Technology Co., Ltd.	1	Purchases	$ 75,884	—	4
			1	Accounts Payable - Related Parties	58,572	—	-
		Suting Precision Industry Co., Ltd.	1	Accounts Receivable - Related Parties	6,242	—	-
		Jiaqian Technology (Shanghai) Co., Ltd.	1	Sales	99,355	—	5
			1	Accounts Receivable - Related Parties	123,895	—	-
			1	Other Receivables - Related Parties	12,942	—	-
		Gudeng Inc. (USA)	1	Service fees	23,162	—	1
			1	Other Payables - Related Parties	14,772	—	-
		Dachuan Plastic Industrial (Kunshan) Co., Ltd.	1	Sales	9,346	—	1
			1	Purchases	6,684	—	-
			1	Accounts Receivable - Related Parties	23,737	—	-
			1	Accounts Payable - Related Parties	10,090	—	-
		Gudeng Japan Co., LTD	1	Prepayment for long-term investments	840,704	—	3
		GUDENG KOREA CO., LTD.	1	Other Receivables - Related Parties	5,476	—	-
1	Jiaqian Technology (Shanghai) Co., Ltd.	Gudeng Equipment Co., Ltd.	3	Prepaid inventory	21,057	—	-
		Dachuan Plastic Industrial (Kunshan) Co., Ltd.	1	Purchases	85,798	—	5
			1	Accounts Payable - Related Parties	49,087	—	-
2	Efount international Co., Ltd.	EWKTOOL INC.	1	Sales	9,047	—	-
			1	Accounts Receivable - Related Parties	58,875	—	-

Note 1: Information about business transactions between the parent company and subsidiaries should be noted separately in the number column. The method for filling in the numbers is as follows:

1. Parent company fills in 0.

2. Subsidiaries are numbered sequentially starting from Arabic numeral 1 according to the company.

Note 2: The relationship with the transaction party has the following three types, just indicate the type:

1. Parent company to subsidiaries.

2. Subsidiaries to parent company.

3. Subsidiaries to subsidiaries.

Note 3: The calculation of the transaction amount as a percentage of consolidated total revenue or total assets is as follows: for balance sheet items, calculate using the ending balance as a percentage of consolidated total assets; for income statement items, calculate using the accumulated amount during the period as a percentage of consolidated total revenue.

Note 4: The purchase and sales transaction prices between parent and subsidiaries are according to contract provisions, with payment terms of 90 days monthly settlement, adjusted based on the affiliated companies' capital utilization. For the remaining transactions, due to lack of relevant similar transactions for reference, they are determined through mutual negotiation between both parties.

Note 5: This table's significant transaction activities may be determined by the Company based on the materiality principle as to whether disclosure is required.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INVESTEE COMPANY INFORMATION, LOCATION...AND OTHER RELEVANT INFORMATION

January 1 to March 31, 2026

Table 5

Unit: Except for number of shares, in thousands of New Taiwan Dollars and foreign currency

Name of investing company	Name of Investee Company	Location	Main Business Activities	Original Investment Amount		End of Period Holdings			Current Period Profit (Loss) of Investee Company	Investment Profit (Loss) Recognized in Current Period	Notes
				End of Current Period	End of Last Year	Number of Shares	Ratio (%)	Carrying Amount			
Gudeng Precision Industrial Co., Ltd.	Rich Point Global Corp.	Equity Trust Chambers, P. O. Box 3269, Apia, Samoa	Investments in Various Business Operations	$ 388,571	$ 388,571	-	100	$ 650,248	($ 1,781)	($ 1,781)	Notes 1 and 2
	Gudeng Venture Capital Co., Ltd.	9F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Investments in Various Business Operations	1,377,000	1,377,000	61,700,000	100	2,784,678	50,102	50,102	Notes 1 and 2
	Guchii Technology Co., Ltd.	No. 9, Dongyuan 2nd Rd., Zhongli Dist., Taoyuan City	Trading, Maintenance, and Servicing of Various Precision Instruments	179,798	179,798	18,000,000	51.43	257,017	19,201	9,901	Note 2
	Gudeng Equipment Co., Ltd.	8F-6, No. 100, Sec. 1, Jiafeng 11th Rd., Zhubei City, Hsinchu County	Manufacturing, maintenance, and servicing of various precision instruments	318,260	318,260	13,649,268	45.48	687,669	37,837	17,361	Notes 1 and 2
	Gudeng Inc. (USA)	1798 Technology DR, #298 San Jose, CA, 95110	Semiconductor-related business and related supporting services	USD 2,652	USD 2,652	2,652,000	51	99,880	7,354	3,751	Note 2
	Gudeng Aerospace Technologies Corporation	10F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Aircraft and parts retail, wholesale, and manufacturing	400,000	320,000	16,800,000	100	302,167	98	98	Note 2
	TSS Holdings Limited	4F, No. 172, Sec. 2, Minsheng E. Rd., Zhongshan Dist., Taipei City	Investment and management consulting business	40,000	40,000	4,132,483	12.5	54,017	2,964	370	-
	Gudeng Japan Co., LTD	1454-25 Fujita Arakimachi Kurume-Shi Fukuoka-Ken 830-0064 Japan	Operation of various electronic component businesses	JPY 930,900	JPY 930,900	10,000	100	165,653	(463)	(463)	Note 2
	Jia Shuo Construction, Inc.	9F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Industrial plant, residential and building development, rental and sales business, real estate buying, selling, and leasing business	389,465	389,465	25,000,000	100	389,064	(65)	(65)	Note 2
	Gu Chance Venture Capital CO., LTD.	10F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Investment and management consulting business	598,200	598,200	45,000,000	100	1,128,811	(36,270)	(36,270)	Note 2
	Jia Rui Verture Capital Co.,Ltd.	10F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Investment and management consulting business	237,472	237,472	7,700,000	100	198,975	(8,387)	(9,009)	Note 2
	GUDENG KOREA CO., LTD.	경 기도 화성 시 동탄대로 23 길 121, 1708 호 (엉 천동 , 우미뉴브)	Operation of various electronic component businesses	KWR 8,191,060	KWR 8,191,060	20,000	100	153,049	(3,877)	(3,877)	Note 2
Rich Point Global Corp.	Sun Park Development Limited	Suite 2302-6 23/F Great Eagle CTR 23 Harbour RD Wanchai H.K.	Investments in Various Business Operations	RMB 89,672	RMB 89,672	-	100	RMB 139,085	(RMB 402)	(RMB 402)	Notes 1 and 2
	Gudeng Investment Co., Ltd.	TMF Chambers, P. O. Box 3269, Apia, Samoa	Investments in Various Business Operations	RMB 3,428	RMB 3,428	-	100	RMB 2,489	RMB 16	RMB 16	Notes 1 and 2
Gudeng Venture Capital Co., Ltd.	Jin Hui Technology Co., Ltd.	No. 43, Jingjian 4th Rd., Guanyin Dist., Taoyuan City	Surface treatment and heat treatment, wholesale of chemical materials, manufacturing of other chemical materials and other metals, wholesale of pollution prevention equipment, wholesale of recycling materials	36,050	36,050	3,570,000	34.76	61,507	10,877	3,781	-

(Continued on the next page)

(Continued from the previous page)

Gudeng Venture Capital Co., Ltd.	i Analyzer Incorporation	No. 99, Lane 130, Section 1, Academia Road, Nangang District, Taipei City	Manufacturing, trading, maintenance, and servicing of various precision instruments	$ 78,806	$ 78,806	24,298,415	30.64	$ 20,411	($ 3,324)	($ 1,158)	-
	Hengyang Green Energy Co., Ltd.	10F-2, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Energy equipment installation and engineering business	171,000	171,000	17,100,000	45	154,468	(1,879)	(846)	Note 2
	YAHO System Technology Co., Ltd.	1F., No. 485, Section 1, Huanzhong Road, Beitun District, Taichung City	Equipment engineering industry, machinery equipment manufacturing industry	45,389	45,389	1,911,107	16.58	78,184	29,305	5,189	-
	Global Magic Electronic Co., Ltd.	17F.-2, No. 700, Zhongzheng Rd., Zhonghe Dist., New Taipei City	Operation of various electronic component businesses	135,969	135,969	12,500,000	29.98	82,754	5,656	1,695	-
Gudeng Equipment Co., Ltd.	Showa Precision Co., Ltd.	No. 106, Sec. 2, Fuxing 3rd Rd., Zhubei City, Hsinchu County	Design and modification of PVD vacuum technology-related equipment for semiconductors and panels	70,000	70,000	3,773,236	100	48,852	(3,463)	(3,674)	Note 2
	Gudeng Inc. (USA)	1798 Technology DR, #298 San Jose, CA, 95110	Semiconductor-related business and related supporting services	USD 208	USD 208	208,000	4	7,834	7,354	295	Note 2
Jia Rui Verture Capital Co.,Ltd.	Cypress Precision Industrial Co., Ltd.	No. 2, Ln. 146, Fuyi Rd., Yixin Vil., Taiping Dist., Taichung City	Manufacturing, sales, and services of precision cutting tools	67,986	67,986	2,480,000	95.38	135,054	(2,956)	(2,819)	Note 2
	Efount international Co., Ltd.	9F.-5, No. 213, Chaofu Rd., Chaoyang Li, Xitun Dist., Taichung City	Wholesale and retail trade	30,000	30,000	2,550,000	68	17,832	(8,187)	(5,567)	Note 2
Gu Chance Venture Capital CO., LTD.	Suting Precision Industry Co., Ltd.	1F, No. 8, Ln. 64, Sec. 2, Gansu Rd., Dahe Vil., Xitun Dist., Taichung City	Manufacturing and sales of semiconductor carriers	126,807	126,807	14,681,000	60.02	182,230	8,597	5,160	Note 2
Gudeng Aerospace Technologies Corporation	JYR Aviation Components Co., Ltd.	No. 3, Shengde Rd., Gangshan Dist., Kaohsiung City	Aircraft and parts retail, wholesale, and manufacturing	260,685	260,685	21,567,979	51	164,503	1,306	(109)	Note 2
	Gudeng Aerospace Inc.	131 Continental Drive, Suite 301 Newark, DE 19713-4323	Aircraft and parts retail, wholesale, and manufacturing	USD 3,000	USD 500	30	100	92,549	140	140	Note 2
Efount international Co., Ltd.	EWKTOOL INC.	150 N SANTA ANITA AVE., STE 300 ARCADIA, CA 91006	Wholesale and retail trade	USD 409	USD 409	100	100	890	(5,413)	(5,413)	Note 2

Note 1: The (loss) profit of the invested company for the current period and the recognized investment (loss) profit for the current period are amounts audited by the CPA.

Note 2: Eliminated upon consolidation in the preparation of consolidated financial statements.

Note 3: For information regarding invested companies in Mainland China, please refer to Table 6.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

MAINLAND CHINA INVESTMENT INFORMATION

January 1 to March 31, 2026

Table 6

Unit: New Taiwan Dollar and foreign currency in thousands, unless otherwise stated

Name of Invested Company in Mainland China	Main Business Activities	Paid-in Capital	Investment Method (Note 1)	Accumulated Investment Amount Remitted from Taiwan at the Beginning of the Period	Outward or Inward Remittance of Investment Amount for the Period		Accumulated Outward Remittance from Taiwan at the End of the Period	Current Period Profit (Loss) of Investee Company	Shareholding Ratio Directly or Indirectly Invested by the Company (%)	Investment Gain or Loss Recognized for the Period (Note 2)	Carrying Amount of Investment at the End of the Period	Investment Income Remitted as of the End of the Period	Notes
					Outward Remittance	Recovery							
Jiaqian Technology (Shanghai) Co., Ltd.	Wholesale, import and export, commission agency, and related supporting services for plastic products, electronic products, hardware and electrical appliances, etc.	USD 12,400	(2) Investment company: Sun Park Development Limited	$ 368,262 (USD 11,510)	$ -	$ -	$ 368,262 (USD 11,510)	($ 1,818) (RMB -398)	100	($ 1,818) (RMB -398) (2)B	$ 641,802 (RMB 138,648)	$ -	
Kawaguchi Plastic Industry (Kunshan) Co., Ltd.	Plastic and electronic product manufacturing	RMB 13,656	(1) Investing Company: Jiaqian Technology (Shanghai) Co., Ltd.	-	-	-	-	1,941 (RMB 425)	100	1,206 (RMB 264) (2)B	534,941 (RMB 115,563)	-	
Shanghai Xiangfeng Trading Co., Ltd.	Wholesale, retail, and leasing of plastic and electronic products	RMB 7,060	(1) Investing Company: Jiaqian Technology (Shanghai) Co., Ltd.	-	-	-	-	9 (RMB 2)	100	9 (RMB 2) (2)B	54,400 (RMB 11,752)	-	
Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Plastic and electronic product manufacturing	RMB 15,500	(1) Investing Company: Kawaguchi Plastic Industry (Kunshan) Co., Ltd.	-	-	-	-	1,581 (RMB 346)	100	1,644 (RMB 360) (2)B	323,826 (RMB 69,956)	-	

Accumulated Investment Amount Remitted from Taiwan to Mainland China at the End of the Current Period	Investment Amount Approved by the Investment Commission, Ministry of Economic Affairs	Investment Limit in Mainland China as Approved by the Investment Commission, Ministry of Economic Affairs
NTD 368,262 (USD 11,510)	NTD 396,738 (USD 12,400)	NTD 6,737,791 (USD 210,589)

Note 1: Investment methods are classified into the following three categories:

(1) Directly investing in Mainland China.

(2) Reinvesting in Mainland China through a third-area company (please specify the investment company in the third area).

(3) Other methods.

Note 2: In the column of recognized investment income (loss) for the current period:

(1) If the company is in preparation and has no investment income or loss yet, it should be specified.

(2) The basis for recognizing investment income or loss is divided into the following three types, which should be specified.

A. Financial statements audited by international accounting firms that have cooperative relationships with accounting firms in the Republic of China.

B. Financial statements audited by the certifying accountant of the Taiwan parent company.

C. Others - based on financial statements not audited by accountants.

Note 3: The relevant amounts in this table are listed in New Taiwan Dollars. For amounts involving foreign currencies, they are converted to New Taiwan Dollars using the spot exchange rate on the financial report date (the USD spot exchange rate on 2026.03.31 was 31.995; the RMB spot exchange rate was 4.629; the RMB income and expense exchange rate was 4.568).

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

MAJOR TRANSACTIONS WITH MAINLAND CHINA INVESTED COMPANIES DIRECTLY OR INDIRECTLY THROUGH THIRD REGIONS, INCLUDING PRICE, PAYMENT TERMS, UNREALIZED GAINS/LOSSES, AND OTHER RELEVANT INFORMATION

January 1 to March 31, 2026

Table 7

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

Name of Invested Company in Mainland China	Transaction type	Purchase, sales, and service expenses		Price	Transaction terms		Notes and accounts receivable (payable)		Unrealized gains/losses	Notes
		Amount	Percentage		Payment terms	Comparison with regular transactions	Amount	Percentage		
Jiaqian Technology (Shanghai) Co., Ltd.	Sales	$ 102,212	5	Same as regular customers	Same as regular customers	Same as regular customers	$ 136,119	9	$ -	
Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Sales	9,346	1	Same as regular customers	Same as regular customers	Same as regular customers	23,737	2	-	
〃	Purchases	6,684	1	Same as regular customers	Same as regular customers	Same as regular customers	(10,090)	(1)	-	
Chongqing Global Magic Electronic Co., Ltd.	Purchases	30,693	3	Same as regular customers	Same as regular customers	Same as regular customers	(22,298)	(2)	-	