

Actron Technology
Corporation and Subsidiaries

Consolidated Financial
Statements with Independent
Auditors' Review Report
For the Three Months Ended March 31, 2026 and
2025

Address: 1F., No. 22, Sec. 2, Nankan Rd., Luzhu Dist.,
Taoyuan City

Tel: (03)3115555

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

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Independent Auditors' Review Report

To the Board of Directors and Shareholders of Actron Technology Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of Actron Technology Corporation and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of March 31, 2026 and 2025, the combined total assets of these non-significant subsidiaries were NT\$1,731,795 thousand and NT\$1,384,925 thousand, respectively, representing 11% and 9%, respectively, of the consolidated total assets; the combined total liabilities of these non-significant subsidiaries were NT\$297,330 thousand and NT\$228,129 thousand, respectively, representing 5% and 4%, respectively, of the consolidated total liabilities. For the three months ended March 31, 2026 and 2025, the amounts of the combined comprehensive income (loss) of these non-significant subsidiaries were NT\$(18,379) thousand and NT\$(35,364) thousand, respectively, representing (8)% and (15)% of the consolidated total comprehensive income, respectively. In addition, as disclosed in Note 12 to the consolidated financial statements, the total carrying amounts of the investment accounted for using the equity method were NT\$2,134,254 thousand and NT\$2,119,790 thousand as of March 31, 2026 and 2025, respectively. The shares of profit (loss) of associates and joint ventures accounted for using the equity method were NT\$31,725 thousand and NT\$42,872 thousand for the three months ended March 31, 2026 and 2025, respectively. The amounts of the related equity-method investments were based on the equity-method investees' unreviewed financial statements for the same reporting periods.

Qualified Conclusion

Based on our reviews and the review reports of the other independent auditors, as described in the other matter section of our report, except for the effect on the consolidated financial statements of such adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and other equity-method investees as described in the preceding section been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and its consolidated financial performance and consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of

Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matters

We did not review the financial statements of Mosel Vitelic Inc., an entity that was included in the accompanying consolidated financial statements (please refer to Note 11 herein) and of which financial statements were reviewed by other independent auditors. Therefore, the amounts with respect to the financial statements of Mosel Vitelic Inc. stated in our conclusion expressed on the consolidated financial statements herein, were solely based on the review reports of the other independent auditors. The total assets of Mosel Vitelic Inc. accounted for 20% of the related consolidated totals as of March 31, 2026 and 2025, and the total operating revenues constituted 14% and 15% of the related consolidated totals for the three months ended March 31, 2026 and 2025, respectively.

Deloitte Taiwan

Partner Chien Wei Chen

Partner Ming Hsien Liu

Financial Supervisory Commission
Certificate
Jin-Guan-Zheng-Shen-Zi No.
1130349292

Financial Supervisory Commission
Certificate
Jin-Guan-Zheng-Shen-Zi No.
1100356048

May 6, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

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

Actron Technology Corporation and Subsidiaries

Consolidated balance sheets

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

Unit: NT\$ thousand

Code	Asset	March 31, 2026		December 31, 2025		March 31, 2025	
		Amount	%	Amount	%	Amount	%
Current asset							
1100	Cash and cash equivalents (Note 6)	\$ 1,869,617	12	\$ 1,754,812	11	\$ 1,602,970	10
1136	Financial assets at amortized cost - current (Note 8 and 32)	272,616	2	272,155	2	622,546	4
1150	Notes receivable (Note 9)	1,414	-	3,377	-	1,109	-
1170	Trade receivables (Note 9)	1,422,931	9	1,295,494	8	1,369,327	9
1200	Other receivables (Note 31)	89,500	-	37,879	-	158,787	1
1220	Current tax assets	4,404	-	4,214	-	6,548	-
130X	Inventories (Note 10)	1,334,625	8	1,465,406	9	1,394,043	9
1470	Other current assets (Note 17, 21 and 33)	138,585	1	94,938	1	139,020	1
11XX	Total current assets	<u>5,133,692</u>	<u>32</u>	<u>4,928,275</u>	<u>31</u>	<u>5,294,350</u>	<u>34</u>
non-current assets							
1517	Financial assets at fair value through other comprehensive income -non-current (Note 7)	686,030	4	628,822	4	550,262	4
1535	Financial assets at amortized cost - non-current (Note 8 and 32)	18,419	-	18,419	-	18,415	-
1550	Investments accounted for using the equity method (Note 12)	2,134,254	13	2,148,948	14	2,119,790	14
1600	Property, Plant and Equipment (Note 13 and 32)	4,713,528	30	4,741,367	30	4,259,729	28
1755	Right-of-use assets (Note 14)	313,532	2	313,068	2	321,822	2
1805	Goodwill (Note 15)	1,442,858	9	1,442,858	9	1,137,538	7
1821	Other intangible assets (Note 16)	38,291	-	35,551	-	17,944	-
1840	Deferred tax assets (Note 24)	97,259	1	95,542	1	72,811	-
1915	Prepayments for equipment	1,316,856	8	1,270,731	8	1,558,572	10
1990	Other non-current assets (Note 17 and 31)	131,428	1	128,045	1	128,218	1
15XX	Total non-current assets	<u>10,892,455</u>	<u>68</u>	<u>10,823,351</u>	<u>69</u>	<u>10,185,101</u>	<u>66</u>
1XXX	Total assets	<u>\$ 16,026,147</u>	<u>100</u>	<u>\$ 15,751,626</u>	<u>100</u>	<u>\$ 15,479,451</u>	<u>100</u>
Liabilities and Equity							
Current liabilities							
2100	Short-term borrowings (Note 18)	\$ 866,302	5	\$ 1,322,580	8	\$ 1,302,965	8
2150	Notes payable	921	-	897	-	860	-
2170	Trade payables	678,739	4	707,570	5	645,708	4
2180	Trade payables - related parties (Note 31)	37,095	-	31,465	-	58,263	-
2200	Other payables (Note 19)	1,086,052	7	696,260	5	1,210,753	8
2230	Current tax liabilities (Note 24)	162,740	1	124,078	1	135,277	1
2280	Lease liabilities - current (Note 14)	20,053	-	18,434	-	15,449	-
2305	Guarantee deposits - current	40,501	-	50,744	-	84,935	1
2321	Corporate bonds due within one year or one operating cycle (Note 20)	794,405	5	790,742	5	-	-
2322	Long-term borrowings - current portion (Note 18 and 32)	600,000	4	360,000	2	-	-
2399	Other current liabilities (Note 19)	239,138	2	224,279	2	182,070	1
21XX	Total current liabilities	<u>4,525,946</u>	<u>28</u>	<u>4,327,049</u>	<u>28</u>	<u>3,636,280</u>	<u>23</u>
non-current liabilities							
2530	Corporate bonds payable (Note 20)	-	-	-	-	779,854	5
2540	Long-term borrowings (Note 18 and 32)	1,249,000	8	1,040,000	6	1,400,000	9
2570	Deferred tax liabilities (Note 24)	103,860	-	106,823	1	113,015	1
2580	Lease liabilities - non-current (Note 14)	286,872	2	288,322	2	297,424	2
2645	Guarantee deposits - non-current	3,998	-	3,994	-	3,995	-
2670	Other non-current liabilities - Others	1,040	-	1,118	-	1	-
25XX	Total non-current liabilities	<u>1,644,770</u>	<u>10</u>	<u>1,440,257</u>	<u>9</u>	<u>2,594,289</u>	<u>17</u>
2XXX	Total liabilities	<u>6,170,716</u>	<u>38</u>	<u>5,767,306</u>	<u>37</u>	<u>6,230,569</u>	<u>40</u>
Equity attributable to owners of the parent company (Note 22)							
Share capital							
3110	Ordinary shares	1,017,975	6	1,017,975	6	1,017,935	7
3200	Capital surplus	3,430,443	22	3,426,104	22	3,406,706	22
Retained earnings							
3310	Legal reserve	921,319	6	921,319	6	837,417	5
3350	Undistributed earnings	2,062,421	13	2,245,807	14	1,969,306	13
3300	Total retained earnings	<u>2,983,740</u>	<u>19</u>	<u>3,167,126</u>	<u>20</u>	<u>2,806,723</u>	<u>18</u>
Other equity							
3410	Exchange difference on translating foreign operations	12,580	-	(2,196)	-	1,073	-
3420	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	359,468	2	288,358	2	28,708	-
3490	Estimated employee compensation	(995)	-	(1,430)	-	(3,773)	-
3400	Total other equity	<u>371,053</u>	<u>2</u>	<u>284,732</u>	<u>2</u>	<u>26,008</u>	<u>-</u>
31XX	Total equity attributable to owners of the parent company	<u>7,803,211</u>	<u>49</u>	<u>7,895,937</u>	<u>50</u>	<u>7,257,372</u>	<u>47</u>
36XX	Non-controlling interests	<u>2,052,220</u>	<u>13</u>	<u>2,088,383</u>	<u>13</u>	<u>1,991,510</u>	<u>13</u>
3XXX	Total equity	<u>9,855,431</u>	<u>62</u>	<u>9,984,320</u>	<u>63</u>	<u>9,248,882</u>	<u>60</u>
Total liabilities and equity		<u>\$ 16,026,147</u>	<u>100</u>	<u>\$ 15,751,626</u>	<u>100</u>	<u>\$ 15,479,451</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 6, 2026)

Chairman: Dang-Liang Yao

Manager: Hsien-Chung Wu

Accountant: Mei-Ying Chiu

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

Actron Technology Corporation and Subsidiaries

Consolidated statements of comprehensive income

For the three months ended March 31, 2026 and 2025

Unit: In thousands of New Taiwan Dollars, except that Earnings Per Share are stated in NT\$

Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
4000	Net operating revenue	\$ 2,037,119	100	\$ 2,116,332	100
5000	Operating costs (Note 10, 23 and 31)	(1,488,233)	(73)	(1,506,531)	(71)
5900	Gross profit	548,886	27	609,801	29
	Operating expenses (Note 23)				
6100	Selling and marketing expenses	(47,094)	(2)	(44,690)	(2)
6200	Administrative expenses	(136,960)	(7)	(135,305)	(6)
6300	Research and Development expenses	(234,735)	(11)	(190,568)	(9)
6450	Gain on reversal of expected credit impairment loss	10	-	37	-
6000	Total operating expenses	(418,779)	(20)	(370,526)	(17)
6900	Operating income	130,107	7	239,275	12
	Non-operating income and expenses (Note 23)				
7100	Interest income	4,474	-	7,038	-
7010	Other income	4,583	-	8,732	-
7020	Other gains and losses	24,961	1	38,593	2
7050	Finance costs	(25,564)	(1)	(27,895)	(1)
7060	Share of profit of investment in associates and joint ventures accounted for using equity method	31,725	2	42,872	2
7000	Total non-operating income and expenses	40,179	2	69,340	3
7900	Profit before tax	170,286	9	308,615	15
7950	Income tax expense (Note 24)	(34,745)	(2)	(46,716)	(2)
8200	Net profit for the period	135,541	7	261,899	13

(to be continued)

(continued)

Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items not reclassified				
	subsequently to profit or				
	loss:				
8316	Unrealized gain (loss) on				
	investments in equity				
	instruments				
	designated as at fair				
	value through other				
	comprehensive				
	income	\$ 63,565	3	(\$ 346,233)	(16)
8320	Share of other				
	comprehensive				
	income of associates				
	and joint ventures				
	accounted for using				
	the equity method	7,589	-	(165,271)	(8)
8360	Items that may be reclassified				
	subsequently to profit or				
	loss:				
8361	Exchange difference on				
	translating foreign				
	operations	14,776	1	9,472	-
8300	Other comprehensive				
	income for the period,				
	net of income tax	85,930	4	(502,032)	(24)
8500	Total comprehensive income for the				
	period	\$ 221,471	11	(\$ 240,133)	(11)
	Net profit attributable to:				
8610	Owners of the parent company	\$ 172,893	9	\$ 235,779	11
8620	Non-controlling interests	(37,352)	(2)	26,120	1
8600		\$ 135,541	7	\$ 261,899	12
	Total comprehensive income (loss)				
	attributable to:				
8710	Owners of the parent company	\$ 258,791	13	(\$ 265,992)	(12)
8720	Non-controlling interests	(37,320)	(2)	25,859	1
8700		\$ 221,471	11	(\$ 240,133)	(11)
	Earnings per share (Note 25)				
9710	Basic	\$ 1.70		\$ 2.32	
9810	Diluted	\$ 1.65		\$ 2.23	

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

(With Deloitte & Touche review report dated May 6, 2026)

Chairman: Dang-Liang Yao Manager: Hsien-Chung Wu Accountant: Mei-Ying Chiu

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

Actron Technology Corporation and Subsidiaries

Consolidated statements of changes in equity

For the three months ended March 31, 2026 and 2025

Unit: NT\$ thousand

Code		Equity attributable to owners of the parent company					Other equity			Total equity
		Ordinary shares	Capital surplus	Retained earnings		Exchange difference on translating foreign operations	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	Estimated employee compensation	Non-controlling interests	
				Legal reserve	Undistributed earnings					
A1	Balance on January 1, 2025	\$ 1,017,335	\$ 3,395,507	\$ 837,417	\$ 2,159,606	(\$ 8,399)	\$ 539,951	(\$ 4,023)	\$ 1,996,916	\$ 9,934,310
B5	Appropriation of 2024 earnings Cash dividend	-	-	-	(426,079)	-	-	-	-	(426,079)
C7	Changes in equity of investment in associates and joint ventures accounted for using equity method	-	630	-	-	-	-	-	-	630
N1	Issuance of employee stock warrants by subsidiaries	-	610	-	-	-	-	250	1,875	2,735
G1	Exercise of employee stock warrants	600	5,994	-	-	-	-	-	-	6,594
N1	Share-based payment transactions	-	3,965	-	-	-	-	-	-	3,965
O1	Cash dividends of subsidiaries	-	-	-	-	-	-	-	(33,140)	(33,140)
D1	Net profit for the three months ended March 31, 2025	-	-	-	235,779	-	-	-	26,120	261,899
D3	Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	9,472	(511,243)	-	(261)	(502,032)
D5	Total comprehensive income for the three months ended March 31, 2025	-	-	-	235,779	9,472	(511,243)	-	25,859	(240,133)
Z1	Balance on March 31, 2025	\$ 1,017,935	\$ 3,406,706	\$ 837,417	\$ 1,969,306	\$ 1,073	\$ 28,708	(\$ 3,773)	\$ 1,991,510	\$ 9,248,882
A1	Balance on January 1, 2026	\$ 1,017,975	\$ 3,426,104	\$ 921,319	\$ 2,245,807	(\$ 2,196)	\$ 288,358	(\$ 1,430)	\$ 2,088,383	\$ 9,984,320
B5	Appropriation of 2025 earnings Cash dividend	-	-	-	(356,291)	-	-	-	-	(356,291)
C7	Changes in equity of investment in associates and joint ventures accounted for using equity method	-	630	-	-	-	-	-	-	630
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	12	-	(12)	-	-	-
N1	Share-based payment transactions for subsidiaries	-	127	-	-	-	-	435	1,157	1,719
N1	Share-based payment transactions	-	3,582	-	-	-	-	-	-	3,582
D1	Net profit for the three months ended March 31, 2026	-	-	-	172,893	-	-	-	(37,352)	135,541
D3	Other comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	14,776	71,122	-	32	85,930
D5	Total comprehensive income for the three months ended March 31, 2026	-	-	-	172,893	14,776	71,122	-	(37,320)	221,471
Z1	Balance on March 31, 2026	\$ 1,017,975	\$ 3,430,443	\$ 921,319	\$ 2,062,421	\$ 12,580	\$ 359,468	(\$ 995)	\$ 2,052,220	\$ 9,855,431

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

(With Deloitte & Touche review report dated May 6, 2026)

Chairman: Dang-Liang Yao

Manager: Hsien-Chung Wu

Accountant: Mei-Ying Chiu

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

Actron Technology Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the three months ended March 31, 2026 and 2025

Unit: NT\$ thousand

<u>Code</u>		<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
	Cash flows from operating activities		
A00010	Profit before tax	\$ 170,286	\$ 308,615
A20010	Adjustments for:		
A20100	Depreciation expenses	180,484	140,574
A20200	Amortization expenses	4,003	1,051
A20300	Gain on reversal of expected credit impairment loss	(10)	(37)
A20900	Finance costs	25,564	27,895
A21200	Interest income	(4,474)	(7,038)
A21300	Dividend income	(2,000)	(6,000)
A21900	Compensation cost related to share-based payment	5,301	6,700
A22300	Share of profit of investment in associates and joint ventures accounted for using equity method	(31,725)	(42,872)
A22500	Gain on disposal of property, plant and equipment	(250)	-
A23700	Impairment loss and obsolescence on inventory	-	3,434
A24100	Unrealized foreign currency exchange losses	8,398	365
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	1,963	2,279
A31150	Trade receivables	(134,501)	2,456
A31180	Other receivables	3,580	20,644
A31200	Inventory	130,724	39,809
A31240	Other current assets	(43,647)	(41,834)
A32130	Notes payable	24	19
A32150	Trade payables	(29,404)	34,983
A32160	Trade payables to related parties	4,879	3,421
A32180	Other payables	(27,255)	43,398
A32230	Other current liabilities	14,781	30,258
A32240	Net defined benefit liabilities	89	85
A33000	Net cash generated from operating activities	276,810	568,205
A33100	Interest received	4,173	6,781
A33200	Dividend received	2,000	6,000
A33300	Interest paid	(21,859)	(24,817)
A33500	Income tax paid	(953)	(1,702)
AAAA	Net cash inflows from operating activities	260,171	554,467

(to be continued)

(continued)

Code		For the three months ended March 31, 2026	For the three months ended March 31, 2025
	Cash flows from investing activities		
B00010	Purchases of financial assets at fair value through other comprehensive income	\$ -	(\$ 29,558)
B00020	Disposals of financial assets at fair value through other comprehensive income	3,295	-
B00040	Purchases of financial assets at amortized cost	(461)	-
B00050	Disposal of financial assets at amortized cost	-	97,737
B02700	Purchases of property, plant and equipment	(13,412)	(66,150)
B02800	Proceeds from disposal of property, plant and equipment	250	-
B03800	Decrease (increase) in refundable deposits	(922)	1,670
B04500	Purchases of intangible assets	(9,255)	(11,744)
B07100	Increase in prepayments for equipment	(110,376)	(256,435)
B02000	Increase in other non-current assets	-	(49,103)
BBBB	Net cash outflows from investing activities	(<u>130,881</u>)	(<u>313,583</u>)
	Cash flows from financing activities		
C00100	Proceeds from short-term borrowings	-	352,865
C00200	Decrease in short-term borrowings	(456,278)	-
C01600	Proceeds from long-term borrowings	1,249,000	250,000
C01700	Repayments of long-term borrowings	(800,000)	(600,000)
C03100	Decrease in guarantee deposits received	(10,239)	(38,542)
C04020	Repayments of the principal portion of lease liabilities	(5,672)	(3,929)
C04800	Exercise of employee stock warrants	-	6,594
C09900	Payment of cash dividends to non-controlling interests	-	(<u>33,140</u>)
CCCC	Net cash outflows from financing activities	(<u>23,189</u>)	(<u>66,152</u>)
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	<u>8,704</u>	<u>2,800</u>
EEEE	Net increase in cash and cash equivalents for the period	114,805	177,532
E00100	Cash and cash equivalents at the beginning of the period	<u>1,754,812</u>	<u>1,425,438</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 1,869,617</u>	<u>\$ 1,602,970</u>

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

(With Deloitte & Touche review report dated May 6, 2026)

Chairman: Dang-Liang Yao Manager: Hsien-Chung Wu Accountant: Mei-Ying Chiu

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

Actron Technology Corporation and Subsidiaries

Notes to consolidated financial statements

For the three months ended March 31, 2026 and 2025

(Unless otherwise stated, in thousands of New Taiwan Dollars)

1. History

Actron Technology Corporation (hereinafter referred to as the Company) was established in accordance with the Company Act of the Republic of China in November 1998, and its main business activities include the research and development, design, manufacture, and sales of rectifiers and voltage regulators for automotive applications.

The Company's shares have been listed on the Taipei Exchange since April, 2006.

Since October 2023, the Company's ultimate parent company has been Sino-American Silicon Products Inc. (referred to as "Sino-American Silicon").

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the Group, are presented in the Company's functional currency, the New Taiwan Dollar.

2. Date and procedures for approval of financial statements

The consolidated financial statements were approved by the Company's board of directors on May 6, 2026.

3. Application of new, amended and revised standards and interpretations

- (1) Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (the "FSC").

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group's accounting policies.

- (2) New IFRSs in issue by IASB but not yet endorsed and issued into effect by the FSC

<u>New, amended and revised standards and interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including amendments for 2025)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless stated otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The Financial Supervisory Commission (FSC) announced on September 25, 2025 that IFRS 18 will take effect starting from January 1, 2028, with early adoption permitted.

IFRS 18 "Presentation and Disclosure in Financial Statements" and relevant consequential amendments

IFRS 18 will replace IAS 1 "Presentation of Financial Statements", and major changes to the said standard include:

- The Group shall assess whether it has specific major operating activities, such as investing in a specific type of asset and providing financing to customers, in order to categorize the income and expense items in the statement of profit or loss into operating, investing, financing, income tax, and discontinued operations.
- Subtotals and totals of operating profit or loss, profit or loss before financing and income taxes, and profit or loss shall be presented in the statement of profit or loss.
- Introduction of requirements to improve aggregation and disaggregation: The Group is required to identify assets, liabilities, equity, income and expenses that arise from individual transactions or other events, and to classify them into groups based on shared characteristics, resulting in line items in the primary financial statements that share at least one

characteristic. These groups are then separated based on further dissimilar characteristics in the primary financial statements and the notes. The Group uses the label 'other' only when unable to find a more informative label.

- Introduction of disclosures about Management-defined Performance Measures (MPMs): In public communications outside financial statements and communications to users of financial statements regarding management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose about its MPMs in a single note to the financial statements, and the note shall include a description of the MPM, a description of how the MPM is calculated, a reconciliation between the MPM and the total or subtotal required by IFRS Accounting Standards, including the income tax effect and the effect on non-controlling interests for each item disclosed in the reconciliation, etc. for each MPM.

In addition, the following consequential amendments were made to IAS 7 "Statement of Cash Flows":

- When the Group prepares cash flows from operating activities using the indirect method, profit or loss from operations shall be used as the starting point for adjustment.
- The interest and dividends received by the Group should be classified as investing activities, and the interest and dividends paid should be classified as financing activities. If the Group is assessed to have specific key operating activities, it must consider the types of dividend income, interest income, and interest expense listed in the statement of profit or loss to determine the classification of dividend receipts, interest receipts, and interest payments in the statement of cash flows accordingly. However, the above cash flows can only be classified separately into a single activity within the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing effects that the application of various standards and interpretations will have on the Group's financial

position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of significant accounting policies

(1) Statement of compliance

These interim consolidated financial statements have been 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 into effect by the FSC. Disclosure information included in these consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements by IFRS Accounting Standards.

(2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs, are described as follows:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date;
2. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
3. Level 3 inputs are unobservable inputs for an asset or liability.

(3) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (the “subsidiaries”). Income and expenses of subsidiaries acquired or disposed of

during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions or up to the effective dates of disposals. Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed 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.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Please refer to Note 11, Table 6 and Table 7 for detailed information on subsidiaries, percentage of ownership and main business activity.

(4) Other significant accounting policies

Except for the followings, please refer to the consolidated financial statements for the year ended December 31, 2025 for the summary of significant accounting policies.

1. Defined benefit post-retirement benefit

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2. Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about information that are not readily apparent from other sources. Actual results may differ from these estimates.

Please refer to the consolidated financial statements for the year ended December 31, 2025 for the critical accounting judgments and key sources of estimation uncertainty.

6. Cash and cash equivalents

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash on hand and petty cash	\$ 1,122	\$ 1,112	\$ 695
Checking accounts and demand deposits	1,403,048	1,362,366	1,258,833
Cash equivalents			
Bonds sold under repurchase agreement	112,088	247,417	133,238
Time deposits with original maturity within three months	353,359	143,917	210,204
	<u>\$ 1,869,617</u>	<u>\$ 1,754,812</u>	<u>\$ 1,602,970</u>

7. Financial assets at fair value through other comprehensive income -non-current

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Domestic investments	\$ 622,917	\$ 565,532	\$ 377,229
Foreign investments	63,113	63,290	173,033
	<u>\$ 686,030</u>	<u>\$ 628,822</u>	<u>\$ 550,262</u>

The above investments are held for medium to long-term strategic purposes and expected to generate return over the long run. Accordingly, the management elected to designate these investments as at financial assets at fair value through other comprehensive income as it believes that recognizing the short-term fluctuations of fair value in profit or loss would not be consistent with the Group's long-term investment strategy.

8. Financial assets at amortized cost

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Current</u>			
Time deposits with original maturity over three months and restrictions on use	\$ <u>272,616</u>	\$ <u>272,155</u>	\$ <u>622,546</u>
<u>Non-current</u>			
Pledged time deposits	\$ <u>18,419</u>	\$ <u>18,419</u>	\$ <u>18,415</u>

Please refer to Note 32 for information related to investments in financial assets at amortized cost pledged as securities.

9. Notes receivable and trade receivables

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 1,414	\$ 3,377	\$ 1,109
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,414</u>	<u>\$ 3,377</u>	<u>\$ 1,109</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,347,733	\$ 1,271,905	\$ 1,306,157
Less: Allowance for impairment loss	(<u>3,235</u>)	(<u>3,245</u>)	(<u>2,083</u>)
	1,344,498	1,268,660	1,304,074
At fair value through profit or loss	<u>78,433</u>	<u>26,834</u>	<u>65,253</u>
	<u>\$ 1,422,931</u>	<u>\$ 1,295,494</u>	<u>\$ 1,369,327</u>

(1) Trade receivables at amortized cost

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The lifetime expected credit losses are estimated by reference to the past default history of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the overall economic condition and industry outlook. As of March 31, 2026, and December 31 and March 31, 2025, the expected credit loss rates on trade receivables were both 0.01%~100%.

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery, such as liquidation of the debtor; for trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognized in profit or loss.

The aging of trade receivables was as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Not past due	\$ 1,331,308	\$ 1,238,848	\$ 1,287,805
Past due within 30 days	3,178	1,938	200
Past due 31 to 60 days	11,986	26,814	16,576
Past due 61 to 90 days	700	3,016	1,569
Past due 91 to 120 days	-	-	-
Past due 121 to 150 days	-	-	-
Past due 151 to 180 days	-	-	-
Past due over 181 days	561	1,289	7
Total	<u>\$ 1,347,733</u>	<u>\$ 1,271,905</u>	<u>\$ 1,306,157</u>

The aging of trade receivables above was based on number of past due days.

The movements of the loss allowance of trade receivables were as follows:

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Beginning balance	\$ 3,245	\$ 2,120
Less: Reversal of impairment loss for the period	(10)	(37)
Ending balance	<u>\$ 3,235</u>	<u>\$ 2,083</u>

(2) Trade receivables at fair value through profit or loss

The Group will sell its trade receivables at fair value through profit or loss to banks without recourse, and the risk and return associated to these trade receivables are mostly transferred to banks upon the sale resulting in the derecognition of these trade receivables from the balance sheet. The objective of the Group's business model is not to hold these trade receivables to collect the contractual cash flows or achieve objective by both collecting contractual cash flows and selling financial assets, so these trade receivables are measured at fair value.

10. Inventory

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Finished good	\$ 578,484	\$ 651,500	\$ 583,228
Work in progress	326,701	309,700	349,201
Raw materials	<u>429,440</u>	<u>504,206</u>	<u>461,614</u>
	<u>\$ 1,334,625</u>	<u>\$ 1,465,406</u>	<u>\$ 1,394,043</u>

The costs of inventories recognized as cost of goods sold for the three months ended March 31, 2026 and 2025 were NT\$1,488,233 thousand and NT\$1,506,531 thousand, respectively. The impairment and obsolescence losses on inventories included in cost of goods sold for the three months ended March 31, 2026 and 2025 were NT\$0 thousand and NT\$3,434 thousand, respectively.

11. Subsidiaries

(1) Subsidiaries included in consolidated financial statements

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

Investor	Subsidiary	Main business activity	% of Ownership			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
The Company	Ding-Wei Technology Co., Ltd.	Manufacture of electronic components and motor parts	100%	100%	100%	1
The Company	Smooth International Limited Corporation	Investment holding	100%	100%	100%	1
Smooth International Limited Corporation	Smooth Autocomponent Limited	Investment holding	100%	100%	100%	1
Smooth Autocomponent Limited	Smooth Autocomponent Limited	Manufacture of motor parts	100%	100%	100%	1
The Company	Rec Technology Corporation	Manufacture of motor parts	49%	49%	49%	1, 2
The Company	Bigbest Solutions, Inc.	Manufacture of motors	28%	28%	28%	1, 2
The Company	Mosel Vitelic Inc.	Semiconductors	29%	29%	29%	3, 4, 5
The Company	Anjet Corporation	Investment holding	33%	33%	-	1, 6, 7
Anjet Corporation	Anjet Corporation	Production and sales of electronic components, information software services, and other design businesses.	100%	100%	-	1, 6
Anjet Corporation	Anjie Core Technology (Beijing) Co., Ltd.	Sales of electronic components	100%	100%	-	1, 6
Anjet Corporation	Anjet Research Lab Co., Ltd.	R&D and design of electronic components	100%	100%	-	1, 6
Mosel Vitelic Inc.	Giant Haven Investments Ltd. (B.V.I)	Investment holding	100%	100%	100%	4
Mosel Vitelic Inc.	Mou Fu Investment Consultant Ltd.	Leasing, manpower dispatch and various services	-	-	100%	4, 8
Mosel Vitelic Inc.	DenMOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	84%	84%	80%	1
Mou Fu Investment Consultant Ltd.	DenMOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	-	-	4%	1, 8

Note 1: This is a non-significant subsidiary, of which the financial statements for the three months ended March 31, 2026 and 2025 were not reviewed by independent accountants.

Note 2: The Group is the single shareholder holding the largest portion of equity and had the ability to direct the relevant activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company.

Note 3: The Group acquired de facto control over the said company on June 2, 2023 and had the ability to direct the relevant activities by directing and monitoring the investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary instead of an associate of the Company.

Note 4: The Group's independent auditors did not review the financial statements, which were reviewed by other independent directors.

Note 5: The investee is a subsidiary with a material non-controlling interest.

Note 6: Through participation in a capital increase and the purchase of shares of Anjet Corporation from original shareholders on July 27, 2025, the Group's total shareholding reached 33% (including the shares previously accounted for as financial assets measured at fair value through other comprehensive income), becoming its single largest shareholder. As a result, the Group has the substantive ability to lead and supervise its financial, operating and human resources policies, and thus exercises substantive control over the company's relevant activities. Anjet Corporation and its subsidiaries are therefore included in the scope of group consolidation; please refer to Note 27.

Note 7: On March 4, 2026, the Group's Board of Directors approved participation in the capital increase of its subsidiary, Anjet Corporation, within a limit of US\$8,000 thousand, at a price of US\$1.5 per share. This investment is intended to improve the subsidiary's financial structure, strengthen working capital, and support its growth plan, and is still pending completion as of March 31, 2026.

Note 8: In order to integrate group resources, Mosel Vitelic Inc. absorbed and merged with Mou-Fu Investment Consultant., Ltd.. Mosel Vitelic Inc. was the surviving entity, and Mou-Fu Investment Consultant., Ltd. was the dissolved entity. The base date for this merger was July 1, 2025, and the approval letter for the merged dissolution registration was obtained from the Ministry of Economic Affairs on August 18, 2025.

- (2) Subsidiaries not included in consolidated financial statements: None.
- (3) Information on subsidiaries with a material non-controlling interest.

Company Name	Main business activity	Main business location	% of Ownership and Voting Rights Held by Non-controlling Interests		
			March 31, 2026	December 31, 2025	March 31, 2025
Mosel Vitelic Inc.	Semiconductors	Hsinchu City	71%	71%	71%

Please refer to Table 6 for information of main business location and countries of incorporation.

Mosel Vitelic Inc. is a listed company in Taiwan, and relevant financial information can be found on the TWSE Market Observation Post System. Hence, the summarized financial information is not disclosed herein.

12. Investments accounted for using the equity method

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Investments in Associates	\$ 1,449,319	\$ 1,478,463	\$ 1,428,746
Investments in Joint Ventures	<u>684,935</u>	<u>670,485</u>	<u>691,044</u>
	<u>\$ 2,134,254</u>	<u>\$ 2,148,948</u>	<u>\$ 2,119,790</u>

(1) Investments in Associates

Material Associates

<u>Company Name</u>	<u>Main business activity</u>	<u>Main business location</u>	<u>% of Ownership and Voting Rights</u>		
			<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Excelliance MOS Corporation	Semiconductors	Hsinchu City	29%	29%	29%

The Level 1 fair value of associate with open market price is as follow:

<u>Company Name</u>	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Excelliance MOS Corporation	<u>\$ 1,111,500</u>	<u>\$ 1,062,000</u>	<u>\$ 1,297,500</u>

Excelliance MOS Corporation is a TPEX listed company in Taiwan. The relevant financial information can be found on the Market Observation Post System, so the aggregate financial information is not disclosed.

(2) Investments in Joint Ventures

Material Joint Ventures

<u>Company Name</u>	<u>Main business activity</u>	<u>Main business location</u>
Hong Wang Investment Co., Ltd.	Investment	New Taipei City

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
% of Ownership	30%	30%	30%
% of Voting Rights	37%	37%	37%

The share of profit (loss) and other comprehensive income of associates and joint ventures accounted for using the equity method were calculated based on the joint venture's unreviewed financial statements. However, the Group's management believes the unreviewed financial statements will not have any material influence.

13. Property, plant and equipment

	Freehold Land	Building	Machinery Equipment	Transportatio n Equipment	Other Equipment	Property under construction	Total
<u>Cost</u>							
Balance on January 1, 2026	\$ 430,240	\$ 6,032,563	\$ 17,444,808	\$ 10,396	\$ 904,779	\$ 13,689	\$ 24,836,475
Additions	-	10,264	25,478	-	29,556	8,828	74,126
Disposals	-	(87)	(2,776)	-	(288)	-	(3,151)
Reclassifications	-	8,875	54,620	-	7,606	(6,850)	64,251
Net exchange differences	-	6,751	3,794	16	4,539	-	15,100
Balance on March 31, 2026	<u>\$ 430,240</u>	<u>\$ 6,058,366</u>	<u>\$ 17,525,924</u>	<u>\$ 10,412</u>	<u>\$ 946,192</u>	<u>\$ 15,667</u>	<u>\$ 24,986,801</u>
<u>Accumulated depreciation</u>							
Balance on January 1, 2026	\$ 24,476	\$ 3,892,457	\$ 15,515,007	\$ 5,824	\$ 657,344	\$ -	\$ 20,095,108
Disposals	-	(87)	(2,776)	-	(288)	-	(3,151)
Depreciation expenses	-	33,500	119,876	366	20,563	-	174,305
Net exchange differences	-	862	3,001	7	3,141	-	7,011
Balance on March 31, 2026	<u>\$ 24,476</u>	<u>\$ 3,926,732</u>	<u>\$ 15,635,108</u>	<u>\$ 6,197</u>	<u>\$ 680,760</u>	<u>\$ -</u>	<u>\$ 20,273,273</u>
Net balance on March 31, 2026	<u>\$ 405,764</u>	<u>\$ 2,131,634</u>	<u>\$ 1,890,816</u>	<u>\$ 4,215</u>	<u>\$ 265,432</u>	<u>\$ 15,667</u>	<u>\$ 4,713,528</u>
<u>Cost</u>							
Balance on January 1, 2025	\$ 430,240	\$ 5,952,700	\$ 16,794,731	\$ 10,394	\$ 776,275	\$ 7,195	\$ 23,971,535
Additions	-	4,218	65,556	-	15,020	15,833	100,627
Disposals	-	(574)	-	-	-	-	(574)
Reclassifications	-	18,279	-	-	-	(18,279)	-
Net exchange differences	-	4,822	2,697	12	2,292	-	9,823
Balance on March 31, 2025	<u>\$ 430,240</u>	<u>\$ 5,979,445</u>	<u>\$ 16,862,984</u>	<u>\$ 10,406</u>	<u>\$ 793,587</u>	<u>\$ 4,749</u>	<u>\$ 24,081,411</u>
<u>Accumulated depreciation</u>							
Balance on January 1, 2025	\$ 24,476	\$ 3,766,772	\$ 15,309,774	\$ 4,363	\$ 577,232	\$ -	\$ 19,682,617
Disposals	-	(574)	-	-	-	-	(574)
Depreciation expenses	-	32,569	89,065	365	13,856	-	135,855
Net exchange differences	-	524	2,038	3	1,219	-	3,784
Balance on March 31, 2025	<u>\$ 24,476</u>	<u>\$ 3,799,291</u>	<u>\$ 15,400,877</u>	<u>\$ 4,731</u>	<u>\$ 592,307</u>	<u>\$ -</u>	<u>\$ 19,821,682</u>
Net balance on March 31, 2025	<u>\$ 405,764</u>	<u>\$ 2,180,154</u>	<u>\$ 1,462,107</u>	<u>\$ 5,675</u>	<u>\$ 201,280</u>	<u>\$ 4,749</u>	<u>\$ 4,259,729</u>

The Group's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Plants	36~56 years
Mechanical and electrical equipment and engineering systems	2~56 years
Machinery Equipment	2~20 years
Transportation Equipment	2~6 years
Other Equipment	2~21 years

Please refer to Note 32 for information related to the property, plant and equipment pledged as security.

14. Lease arrangements

(1) Right-of-use assets

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Carrying Amount			
Land	\$ 288,286	\$ 290,254	\$ 299,114
Building	23,726	21,082	20,350
Transportation Equipment	442	529	781
Information equipment	<u>1,078</u>	<u>1,203</u>	<u>1,577</u>
	<u>\$ 313,532</u>	<u>\$ 313,068</u>	<u>\$ 321,822</u>
		For the three months ended March 31, 2026	For the three months ended March 31, 2025
Additions to right-of-use assets	<u>\$ 5,809</u>		<u>\$ -</u>
Depreciation expenses for right-of-use assets			
Land	\$ 2,793		\$ 2,829
Building	3,175		1,669
Transportation Equipment	87		97
Information equipment	<u>124</u>		<u>124</u>
	<u>\$ 6,179</u>		<u>\$ 4,719</u>

The underlying assets of the Group's leases include lands, buildings, company vehicles and digital security cameras. Except for lease contracts for lands with durations ranging between 32 and 50 years, the durations for the remaining lease contracts generally range between 1 and 4 years. Lease contracts are negotiated on an individual basis, and their terms and conditions may vary.

Except for the recognized additional depreciation expenses listed above, there was no major sublease or impairment of the Group's right-of-use assets for the three months ended March 31, 2026 and 2025

(2) Lease liabilities

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Carrying Amount			
Current	<u>\$ 20,053</u>	<u>\$ 18,434</u>	<u>\$ 15,449</u>
Non-current	<u>\$ 286,872</u>	<u>\$ 288,322</u>	<u>\$ 297,424</u>

Range of discount rate for lease liabilities was as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Land	2.53%	2.53%	2.53%
Building	1.75% ~ 4.35%	1.75% ~ 4.35%	2.003% ~ 4.35%
Transportation Equipment	0.85% ~ 1.88%	0.85% ~ 1.88%	0.85% ~ 1.88%
Other Equipment	2.53%	2.53%	2.53%

(3) Other lease information

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Expenses relating to short-term leases	\$ <u>2,240</u>	\$ <u>2,003</u>
Expenses relating to low-value asset leases	\$ <u>74</u>	\$ <u>74</u>
Total cash (outflow) for leases	(\$ <u>9,901</u>)	(\$ <u>7,997</u>)

The Group applies a recognition exemption for some asset leases that were short-term and low-value and does not recognize right-of-use assets and lease liabilities for such leases.

15. Goodwill

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Cost</u>			
Beginning and ending balances	\$ <u>1,726,494</u>	\$ <u>1,726,494</u>	\$ <u>1,421,174</u>
<u>Accumulated impairment</u>			
Beginning and ending balances	\$ <u>283,636</u>	\$ <u>283,636</u>	\$ <u>283,636</u>
Net at the end of the period	\$ <u>1,442,858</u>	\$ <u>1,442,858</u>	\$ <u>1,137,538</u>

16. Other intangible assets

	Software
<u>Cost</u>	
Balance on January 1, 2026	\$ 116,950
Additions	6,705
Disposals	(3,053)
Net exchange differences	<u>69</u>
Balance on March 31, 2026	\$ <u>120,671</u>
<u>Accumulated amortization</u>	
Balance on January 1, 2026	\$ 81,399
Amortization expenses	4,003
Disposals	(3,053)
Net exchange differences	<u>31</u>
Balance on March 31, 2026	\$ <u>82,380</u>
Net balance on March 31, 2026	\$ <u>38,291</u>
<u>Cost</u>	
Balance on January 1, 2025	\$ 82,215
Additions	<u>11,744</u>
Balance on March 31, 2025	\$ <u>93,959</u>
<u>Accumulated amortization</u>	
Balance on January 1, 2025	\$ 74,964
Amortization expenses	<u>1,051</u>
Balance on March 31, 2025	\$ <u>76,015</u>
Net balance on March 31, 2025	\$ <u>17,944</u>

There was no major impairment of the Group's other intangible assets for the three months ended March 31, 2026 and 2025. The intangible assets with limited useful lives above are amortized on a straight-line basis over 1~10 years.

17. Other assets

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Current</u>			
Prepayments	\$ 85,821	\$ 64,168	\$ 110,801
Input and overpaid sales tax	48,811	26,925	27,109
Others	<u>3,953</u>	<u>3,845</u>	<u>1,110</u>
	<u>\$ 138,585</u>	<u>\$ 94,938</u>	<u>\$ 139,020</u>
<u>Non-current</u>			
Refundable deposits	\$ 106,773	\$ 105,851	\$ 14,065
Net defined benefit assets	13,381	13,470	-
Other prepayments	11,274	8,724	114,153
Long-term accounts receivable	387,055	387,055	397,055
Long-term advance payment	58,418	58,418	58,418
Less: Allowance for impairment loss	(<u>445,473</u>)	(<u>445,473</u>)	(<u>455,473</u>)
	<u>\$ 131,428</u>	<u>\$ 128,045</u>	<u>\$ 128,218</u>

With regard to the polycrystalline silicon wafer purchase and sale contracts “Original Contract” and “Supplementary Agreement” between the subsidiary Mosel Vitelic Inc. (referred to as “Mosel Vitelic”) and Jiangxi LDK Solar High-Tech Co., Ltd. (referred to as “LDK”), since both parties failed to reach a consensus on the unit price of polycrystalline silicon wafers, according to the terms and conditions of the “Original Contract”, Mosel Vitelic informed LDK that the Contract shall be terminated automatically on April 1, 2010 and requested LDK to return the prepayment of US\$28,611 thousand (under long-term accounts receivable). With regard to the dispute over the “Original Contract” and “Supplementary Agreement”, LDK filed an arbitration proceeding with the Hong Kong International Arbitration Centre. The arbitration court was established on May 27, 2011 and made a verdict with the issuance of a final decision on June 11, 2013. For the claim filed by Mosel Vitelic against LDK and the claim filed by LDK against the Company, each party received one favorable judgment and one unfavorable judgment respectively. According to the result of the arbitration, Mosel Vitelic had not breached the “Original Contract” for the unpurchased remaining quantity; however, Mosel Vitelic should indemnify the loss for the remaining unpurchased quantity according to the “Supplementary Agreement”, pay the default fine for not

providing IC wafer recovery material according to the “Original Contract” and return the material recovery amount previously paid by LDK. The total amount of these three items was US\$13,532 thousand, recognized under the other losses by Mosel Vitelic. In addition, regarding the payable amount of US\$2,836 thousand to LDK originally credited under accounts payable and the aforementioned total amount of the three items of US\$13,532 thousand of Mosel Vitelic, after offsetting with the long-term accounts receivable of US\$28,611 thousand of Mosel Vitelic from LDK, the prepayment required to be returned by LDK to Mosel Vitelic was US\$12,243 thousand. Accordingly, for this case, Mosel Vitelic has retained an attorney to file a petition for compulsory execution with the Intermediate People's Court of Xinyu Municipality, Jiangxi Province, the People's Republic of China, and the Court has accepted the case and informed LDK to fulfill the obligation specified in the final decision. On November 17, 2015, LDK was reorganized due to the application for reorganization of its creditor, Xinyu Chengdong Construction Investment Co., Ltd. Mosel Vitelic Inc. has declared the creditor's right and obtained a notice of creditor review. On December 18, 2017, LDK' reorganizer informed Mosel Vitelic to receive the credit amount of RMB 2,093 thousand. Mosel Vitelic may choose to receive payment in installments or in the form of shares. Based on the consideration of the timing and possibility of recovering such an amount and the operational status of LDK, Mosel Vitelic chose the payment in the form of shares for LDK's debt. However, until now, Mosel Vitelic has not received any further notice from LDK, and LDK still refuses to assist Mosel Vitelic in understanding relevant matters, such that Mosel Vitelic has not yet received the debt repayment from LDK. In addition to compulsory enforcement procedures against LDK's assets or receivable in mainland China, Mosel Vitelic has also pursued such procedures in Taiwan to protect its equity. As of March 31, 2026, Mosel Vitelic had recovered part of its receivable from LDK in Taiwan. The Taiwan High Court's first instance judgment recognized Mosel Vitelic's relevant claim for compensation. However, as the defendant was entitled to file an appeal under the law, the judgment has not yet been finalized.

After assessing and considering the recoverability of long-term receivables and the performance capability of prepayment suppliers, Mosel Vitelic Inc. has fully recognized impairment losses.

Mosel Vitelic Inc. recovered part of the payment of NT\$10,000 thousand in June 2025, resulting in the derecognition of long-term receivables and accumulated impairment loss, and the recognition of a reversal of impairment loss.

18. Borrowings

(1) Short-term borrowings

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ <u>866,302</u>	\$ <u>1,322,580</u>	\$ <u>1,302,965</u>

The interest rate ranges for the revolving bank loans as of March 31, 2026, December 31, 2025 and March 31, 2025 were 1.79%~2.80%, 1.78%~2.95% and 1.84%~2.95%, respectively.

(2) Long-term borrowings

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Unsecured borrowings</u>			
Bank loans	1,849,000	1,400,000	1,400,000
Less: portion with maturity less than 1 year	(<u>600,000</u>)	(<u>360,000</u>)	<u>-</u>
Long-term borrowings	\$ <u>1,249,000</u>	\$ <u>1,040,000</u>	\$ <u>1,400,000</u>
Range of interest rates	1.78%~ 1.90%	1.78%~ 1.90%	1.785% ~ 1.925%

19. Other liabilities

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Current</u>			
Other payables			
Dividends payable	\$ 356,313	\$ -	\$ 459,231
Employees' compensation and directors' remuneration	166,236	137,623	229,370
Payables for salaries and bonuses	144,691	210,163	120,217
Payables for equipment	134,718	74,004	83,681
Payables for annual leaves	41,379	40,035	35,108
Others	<u>242,715</u>	<u>234,435</u>	<u>283,146</u>
	<u>\$ 1,086,052</u>	<u>\$ 696,260</u>	<u>\$ 1,210,753</u>
<u>Current</u>			
Other current liabilities			
Refund liabilities	\$ 128,196	\$ 138,170	\$ 95,447
Temporary payment collection	74,363	52,770	43,878
Receipts under custody	18,273	12,153	19,425
Contract liabilities	9,004	13,919	20,226
Others	<u>9,302</u>	<u>7,267</u>	<u>3,094</u>
	<u>\$ 239,138</u>	<u>\$ 224,279</u>	<u>\$ 182,070</u>

20. Corporate bonds payable

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Domestic unsecured convertible corporate bonds	\$ 799,900	\$ 799,900	\$ 799,900
Less: Discounts on corporate bonds	(<u>5,495</u>)	(<u>9,158</u>)	(<u>20,046</u>)
	794,405	790,742	779,854
Less: portion with maturity less than 1 year	(<u>794,405</u>)	(<u>790,742</u>)	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 779,854</u>

Domestic unsecured convertible corporate bonds

On August 9, 2023, the Company issued 8 thousand NTD-denominated unsecured convertible corporate bonds with a face value of NT\$100 thousand each and an interest rate of 0% at 100.5% of the face value. The principal totaled NT\$800,000 thousand. The issuance period is three years, starting on August 9, 2023 and ending on August 9, 2026. Yuanta Commercial Bank Co., Ltd. is the trustee of the bondholders of the convertible corporate bonds.

Unless the bondholders of the convertible corporate bonds apply for conversion to the ordinary shares of the Company or the Company repurchases the convertible corporate bonds from securities firms for cancellation, the Company will repay the convertible corporate bonds in cash on a lump sum basis within ten days after the maturity date thereof.

From the day following the expiration of three months after the date of issue of the convertible corporate bonds (November 10, 2023) to the maturity date (August 9, 2026), the bondholders may request the Company to convert the convertible corporate bonds to the ordinary shares at any time except (1) when the transfer of ordinary shares is suspended in accordance with the law; (2) during the period from 15th business day prior to the book closure date for stock grants, the book closure date for cash dividends, or the book closure date for cash capital increase subscription to the rights distribution record date; (3) from the record date for capital reduction to the day prior to the start date of the trading of new shares issued to replace old shares for the capital reduction; (4) from the start date of the cessation of conversion for the change of the face value of shares to the day prior to the start date of the trading of newly-issued shares.

August 1, 2023 was fixed as the base date for setting the conversion price of the convertible corporate bonds. The simple arithmetic mean of the closing prices of the Company's ordinary shares for either the business day, three business days, or five business days prior to the base date (excluded) is used as the base price. The base price is then multiplied by the conversion premium rate of 115.7% to calculate the conversion price (calculated and rounded up to the nearest NT\$0.1). If the ex-right date or ex-dividend date is before the base date, the sample closing prices used to calculate the conversion price shall be imputed as the post-ex-right or post-ex-dividend prices; if the ex-right date or ex-dividend date falls within the period from the day the conversion is determined to the actual issue date, the conversion price shall be adjusted according to the conversion price adjustment formula. Based on the above methods, the conversion price of the convertible corporate bonds was set at NT\$210 per share at issue.

Due to the issuance of ordinary shares for a cash capital increase, the conversion price shall be adjusted in accordance with the Regulations Governing the Initial Issuance and Conversion of Domestic Unsecured Convertible Corporate Bonds. As a result, the price for the initial conversion of

the domestic unsecured convertible corporate bonds was adjusted from NT\$210 to NT\$208 on September 25, 2023.

The convertible corporate bonds include liability and equity components. The equity components are stated as capital reserves - stock warrants in equity. The effective interest rate initially recognized for the liability components was 1.8659%.

Issue proceeds (less the transaction cost and the adjustments related to income tax effects)	\$ 800,740
Equity components (less the transaction cost allocated to equity and the adjustments related to income tax effects)	(43,937)
Deferred tax assets	<u>36</u>
Liability components on the issue date (less the transaction cost allocated to liabilities)	756,839
Interest is calculated at the effective interest rate of 1.8659%	37,662
Conversion of corporate bonds payable into ordinary shares	(96)
Liability components as of March 31, 2026	<u>\$ 794,405</u>

21. Retirement benefit plans

Pension expenses in respect of defined benefit plans as of March 31, 2026 and 2025 were NT\$266 thousand and NT\$264 thousand, respectively, calculated using the actuarially determined pension cost rate on December 31, 2025 and 2024.

22. Equity

(1) Share capital

Ordinary shares

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Number of shares authorized (in thousand shares)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Authorized share capital	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>
Number of shares issued and fully paid (in thousand shares)	<u>101,797</u>	<u>101,797</u>	<u>101,793</u>
Share capital issued	<u>\$ 1,017,975</u>	<u>\$ 1,017,975</u>	<u>\$ 1,017,935</u>

(2) Capital surplus

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
<u>Available for offsetting deficits, distributing cash or transferring to share capital</u> (1)			
Additional paid-in capital	\$ 3,230,311	\$ 3,230,311	\$ 3,229,737
Corporate bond conversion premium	96	96	96
Treasury Shares	27,193	27,193	27,193
Difference between consideration and carrying amount of subsidiaries acquired or disposed	3,562	3,562	3,562
<u>Limited to offsetting deficits</u>			
Recognized changes in ownership interests in subsidiaries (2)	\$ 7,705	\$ 7,578	\$ 7,779
Changes in equity of investment in associates and joint ventures accounted for using equity method	4,830	4,200	2,310
Exercise of right of disgorgement	1,024	1,024	1,024
<u>May not be used for any purpose</u>			
Employee stock warrants	111,790	108,208	91,073
Equity components of the convertible corporate bonds issued by the Company	43,932	43,932	43,932
	<u>\$ 3,430,443</u>	<u>\$ 3,426,104</u>	<u>\$ 3,406,706</u>

1. Capital surplus in this category may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash or transferred to share capital, limited to a certain percentage of the Company's paid-in capital each year.
2. This type of capital surplus represents the equity transaction effects recognized due to changes in the equity of subsidiaries that the Company has not actually acquired or disposed of, or the adjustments to the capital surplus of subsidiaries recognized by the Company using the equity method. The change was caused by the issuance of employee stock warrants and restricted shares by the subsidiaries.

(3) Retained earnings and dividend policy

The Company stipulates that the Company's board of directors is authorized to adopt a special resolution to pay distributable dividends and bonuses in the form of cash, which shall be reported to the shareholders' meeting.

The Company's shareholders' meeting on May 23, 2025 approved the amendment to the Articles of Incorporation. According to the earnings distribution policy stipulated in the amended Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside 10% of the remaining profit as legal reserve, and setting aside or reversing a special reserve in accordance with the laws and regulations. Any remaining profit together with any undistributed retained earnings from prior years shall be used by the board of directors as the basis for proposing a distribution plan for the resolution in a shareholders' meeting. In the event that whole or part of the dividend and bonus is paid in cash, the distribution can be made by a majority vote at a board of directors' meeting attended by over two-thirds of the directors and reported to the shareholders' meeting.

The Company's dividend policy is based on the Company's earnings and considerations of the future funding needs and impact of taxation on the Company and its shareholders, as well as the Company's sustainable development and the steady growth of earnings per share. The annual dividend distribution to shareholders will be no less than 50% of the net profit after tax for the year, less any required special reserve, and will be distributed in cash or shares, with cash dividends accounting for at least 50% of the total dividend amount.

According to the Articles of Incorporation prior to amendment, the Company's dividend policy is based on the Company's earnings and considerations of the future funding needs and impact of taxation on the Company and its shareholders, as well as the Company's sustainable development and the steady growth of earnings per share. The annual

distribution of dividends to shareholders shall be no less than 50% of the net profit after tax for the year, and dividends may be distributed in cash or shares, with cash dividends accounting for no less than 50% of the total dividend amount.

Please refer to Note 23(6) "Employees' compensation and directors' remuneration" for the policy on the distribution of employees' compensation and directors' remuneration as stipulated in the Company's Articles of Incorporation.

The Company's Articles of Incorporation have expressly stipulated that when the Company appropriates the special capital reserve lawfully, it shall allocate an amount of special reserve for any difference between the amount it has already allocated and the amount of special reserve equal to the "cumulative amount of net increase in fair value of investment property in a preceding period" and the "cumulative net amount of other deductions from equity in a preceding period" it is required to allocate. If there remains any insufficiency, the Company shall allocate the special reserve from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2025 and 2024 were as follows:

	2025	2024
Legal reserve	<u>\$ 59,618</u>	<u>\$ 83,902</u>
Cash dividends	<u>\$ 356,291</u>	<u>\$ 426,079</u>
Cash dividends per share (NT\$)	\$ 3.5	\$ 4.2

The appropriations for cash dividends above had been resolved by the Company's board of directors' meeting on March 4, 2026 and February 21, 2025, respectively; the other proposed appropriations for 2024 had been resolved by the shareholders' meeting on May 23, 2025 and the other proposed appropriations for 2025 were submitted for the resolution by shareholders' meeting to be held on May 27, 2026.

23. Net profit from continuing operations

(1) Other income

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Dividend income	\$ 2,000	\$ 6,000
Others	<u>2,583</u>	<u>2,732</u>
	<u>\$ 4,583</u>	<u>\$ 8,732</u>

(2) Other gains and losses

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Net gain on foreign currency exchange	\$ 24,930	\$ 38,689
Gain on disposal of property, plant and equipment	250	-
Others	<u>(219)</u>	<u>(96)</u>
	<u>\$ 24,961</u>	<u>\$ 38,593</u>

(3) Finance costs

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Interest on bank loans	\$ 19,986	\$ 22,308
Discount and amortization of corporate bonds payable	3,663	3,596
Interest on lease liabilities	<u>1,915</u>	<u>1,991</u>
	<u>\$ 25,564</u>	<u>\$ 27,895</u>

(4) Depreciation and amortization

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Depreciation expenses by function		
Operating cost	\$ 83,175	\$ 75,878
Operating expense	<u>97,309</u>	<u>64,696</u>
	<u>\$ 180,484</u>	<u>\$ 140,574</u>
Amortization expenses by function		
Operating cost	\$ 305	\$ 222
Operating expense	<u>3,698</u>	<u>829</u>
	<u>\$ 4,003</u>	<u>\$ 1,051</u>

(5) Employee benefit expenses

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Post-employment benefits		
Defined contribution plan	\$ 15,404	\$ 14,371
Defined benefit plan (Note 21)	<u>266</u>	<u>264</u>
	<u>15,670</u>	<u>14,635</u>
Share-based payment (Note 26)	5,301	6,700
Others employee benefits	<u>482,991</u>	<u>469,571</u>
Total employee benefit expenses	<u>\$ 503,962</u>	<u>\$ 490,906</u>
Summary by function		
Operating cost	\$ 286,192	\$ 290,261
Operating expense	<u>217,770</u>	<u>200,645</u>
	<u>\$ 503,962</u>	<u>\$ 490,906</u>

(6) Employees' compensation and directors' remuneration

According to the amendment to the Securities and Exchange Act in August 2024, the Company passed a resolution at the shareholders' meeting on May 23, 2025, to amend the Articles of Incorporation. The amended Articles of Incorporation stipulate that if there is profit in a fiscal year, the Company shall accrue employees' compensation and directors' remuneration as follows; however, if there is a deficit, the Company shall set aside the amount for offsetting the deficit before the appropriation. The aforementioned profit is the net profit before taxes net of employees' compensation and directors' remuneration.

1. The remuneration to employees shall not be less than 5%. Of the amount of employee remuneration stipulated in the preceding paragraph, no less than 60% shall be allocated as remuneration for junior employees. The Board of Directors may resolve to distribute bonuses either in shares or in cash, to employees of the subsidiaries who meet certain requirements.
2. Directors' remuneration shall be no more than 3%.

The appropriation of employees' compensation and directors' remuneration shall be reported to the shareholders' meeting.

Estimation ratio

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Employees' compensation	12%	12%
Remuneration to directors and supervisors	3%	3%

Amount

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Employees' compensation	<u>\$ 27,157</u>	<u>\$ 37,237</u>
Directors' remuneration	<u>\$ 5,903</u>	<u>\$ 8,095</u>

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

The appropriations of employees' compensation and directors' remuneration for 2025 and 2024, which were approved by the Company's board of directors on March 4, 2026 and February 21, 2025, respectively, were as follows:

	<u>2025</u>	<u>2024</u>
	<u>Cash</u>	<u>Cash</u>
Employees' compensation	<u>\$ 99,000</u>	<u>\$ 127,354</u>
Directors' remuneration	<u>\$ 21,522</u>	<u>\$ 27,686</u>

There was no difference between the actual amounts of employees' compensation and directors' remuneration paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

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

24. Income taxes relating to continuing operations

(1) Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Current income tax		
In respect of the current year	\$ 42,421	\$ 45,667
Adjustment for prior year	(3,000)	1,049
	<u>39,421</u>	<u>46,716</u>
Deferred tax		
In respect of the current year	(4,676)	-
Income tax recognized in profit or loss	<u>\$ 34,745</u>	<u>\$ 46,716</u>

(2) Income tax assessments

The income tax returns of the Company through 2024 have been assessed by the tax authorities.

25. Earnings per share

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit for the period

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Net profit attributable to owners of the parent company	\$ 172,893	\$ 235,779
Effect of potentially dilutive ordinary shares:		
After-tax interest on convertible corporate bonds	<u>2,930</u>	<u>2,876</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 175,823</u>	<u>\$ 238,655</u>

Shares

Unit: thousands of shares

	<u>For the three months ended March 31, 2026</u>	<u>For the three months ended March 31, 2025</u>
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	101,797	101,768
Effect of potentially dilutive ordinary shares:		
Convertible corporate bonds	4,077	3,845
Employee stock warrants	194	655
Employees' compensation	<u>774</u>	<u>704</u>
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	<u>106,842</u>	<u>106,972</u>

If the Group settles the employees' compensation in shares or cash, the Group presumed that the entire amount of employees' compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. Share-based payment agreement

(1) The subsidiary Mosel Vitelic Inc.'s share-based Payment

1. The share-based payment agreements of Mosel Vitelic Inc. in the three months ended March 31, 2026 and 2025 are as follows:

Type of agreement	Grant date	Fair value (NT\$)	Grant quantity	Agreed price	Contract period	Vesting conditions
Restricted share plan (Note 1)	December 11, 2023	34.65	1,000 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note 1)	June 12, 2024	32.25	295 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note 1)	June 18, 2025	22.50	205 thousand shares	10	3 years	(Note 2)

Note 1: Restricted shares issued by the Mosel Vitelic Inc. shall not be transferred during the vesting period. However, their voting rights are not restricted. If an employee resigns or passes away not due to an occupational disaster before the vested conditions are met, the Mosel Vitelic Inc. will take back his or her shares at the issue price and cancel them.

Note 2: 30% of the restricted shares will be vested immediately after one year and two years of service following the grant date, respectively, and the remaining 40% will be vested after three years of service. If an employee's performance in any of the three years from the grant date fails to meet the Mosel Vitelic Inc.'s performance conditions, the Mosel Vitelic Inc. will take

back the unvested shares from the employee at the issue price in the current year.

2. The details of the above share-based payment agreement are as follows:

	Number of shares (in thousand shares)	Number of shares (in thousand shares)
	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Beginning and ending balances	<u>715</u>	<u>935</u>

(2) Employee stock warrant plan of the subsidiary Rec Technology Corporation

The Company's board of directors resolved on November 4, 2024 to issue 1,000 thousand units of restricted share option, with each unit eligible to buy 1 ordinary share. The recipients include the employees of the Company who meets specific conditions, and the holders of the stock options may exercise the stock options immediately after being granted such stock options according to relevant regulations. The term of the employee stock warrants is 5 years, and the exercise price of the stock warrants is NT\$10 per share. If any changes are made to the Company's ordinary shares after the issuance of the stock warrants, the exercise price shall be correspondingly adjusted using the specific formula.

Information on employee stock warrants is as follows:

	For the three months ended March 31, 2026		For the three months ended March 31, 2025	
	Unit (thousand)	Weighted average exercise price (NT\$)	Unit (thousand)	Weighted average exercise price (NT\$)
Employee stock warrants				
Beginning and ending shares outstanding	<u>994</u>	\$ 10	<u>1,000</u>	\$ 10
Exercisable at the end of the period	<u>99</u>		<u>-</u>	

(3) Employee stock warrant plan of the Company

The Company granted 3,000 thousand units of employee warrants, of which, each unit is eligible to subscribe to 1 ordinary share, in December 2022. Employees of the Company are entitled to the warrants. The term of all employee stock warrants is 6 years, and the warrant holders can exercise a specific portion of the warrants granted after 2 years after the issuance date. The exercise price of the stock warrants is 75% of the closing price of the

Company's ordinary shares on the date of issuance. If any changes are made to the Company's ordinary shares, the exercise price shall be correspondingly adjusted using the specific formula.

Information on employee stock warrants is as follows:

Employee stock warrants	For the three months ended March 31, 2026		For the three months ended March 31, 2025	
	Unit (thousand)	Weighted average exercise price (NT\$)	Unit (thousand)	Weighted average exercise price (NT\$)
Outstanding at the beginning of the period	2,322	\$ 109.9	2,594	\$ 109.9
Current grant	-	-	-	-
Lost in the period	(40)	-	(102)	-
Exercised in the period	-	-	(60)	109.9
Expired in the period	-	-	-	-
Outstanding at the end of the period	<u>2,282</u>	109.9	<u>2,432</u>	109.9
Exercisable at the end of the period	<u>703</u>		<u>210</u>	

- (4) The compensation costs recognized for the three months ended March 31, 2026 and 2025 were NT\$5,301 thousand and NT\$6,700 thousand, respectively.

27. Business combination - Acquisition of a subsidiary

Acquisition of Anjet Corporation

	Major business activities	Acquisition date	All ownership interests with voting rights/ Percentage of stake acquired (%)	Transfer of consideration
Anjet Corporation	Manufacturing and wholesale of electronic components, information software services, and other design activities.	July 27, 2025	33%	<u>\$ 394,997</u>

Taking into account long-term business development needs, the Group acquired Anjet Corporation to deepen and strengthen the benefits of supply chain vertical integration. Please refer to Note 27 of the Company's 2025 consolidated financial statements.

28. Non-cash transactions

For the three months ended March 31, 2026 and 2025, the Group has conducted the following non-cash transactions from finance activities:

- (1) Reclassifications of long-term borrowings with maturity within one year.
- (2) Pending distribution of the cash dividend resolved by the board of directors' meeting as of March 31, 2026 and 2025. (Please refer to Note 19 and 22)

29. Capital management

The Group manages its capital to ensure its ability to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's key management reviews its capital structure on a quarter basis. As part of this review, the key management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management, the Group may balance its overall capital structure by the means of dividend payment, issuance of new shares, shares buyback, issuance of new debts or repayment of existing debts. The Group is not subject to any externally imposed capital requirements.

30. Financial instruments

- (1) Fair value of financial instruments not measured at fair value

Except items listed below, the Group considers the carrying amounts of financial instruments that are not measured at fair value close to their fair values.

March 31, 2026

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<u>Financial liability</u>					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	\$ 794,405	\$ 822,297	\$ -	\$ -	\$ 822,297

December 31, 2025

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liability</u>					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	\$ 790,742	\$ 808,699	\$ -	\$ -	\$ 808,699

March 31, 2025

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<u>Financial liability</u>					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	\$ 779,854	\$ 828,696	\$ -	\$ -	\$ 828,696

(2) Fair value of financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

March 31, 2026

	Fair value			Total
	Level 1	Level 2	Level 3	
<u>Financial assets at fair value through other comprehensive income</u>				
TWSE/TPEX listed and emerging shares	\$ 608,402	\$ -	\$ -	\$ 608,402
Domestic and foreign unlisted shares and investments	-	-	77,628	77,628
	\$ 608,402	\$ -	\$ 77,628	\$ 686,030

December 31, 2025

	Fair value			Total
	Level 1	Level 2	Level 3	
<u>Financial assets at fair value through other comprehensive income</u>				
TWSE/TPEX listed and emerging shares	\$ 543,194	\$ -	\$ -	\$ 543,194
Domestic and foreign unlisted shares and investments	-	-	85,628	85,628
	\$ 543,194	\$ -	\$ 85,628	\$ 628,822

March 31, 2025

	Fair value			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value through other comprehensive income</u>				
Domestic listed shares	\$ 225,000	\$ -	\$ -	\$ 225,000
Domestic and foreign unlisted shares and investments	-	-	325,262	325,262
	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ 325,262</u>	<u>\$ 550,262</u>

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2026 and 2025.

2. Valuation techniques and inputs of measuring Level 3 fair value

Class of financial instruments	Valuation techniques and inputs
Domestic and foreign securities	Using the asset-based approach that assesses the fair value by totaling the value of each asset and liability of the target of evaluation. Using the market approach that derives the value of target from the product of the active market price of a comparable company that operates in the same industry with similar operation and financial performance and a corresponding market multiplier.

(3) Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial asset</u>			
At fair value through profit or loss			
Mandatorily classified as at fair value through profit or loss	\$ 78,433	\$ 26,834	\$ 65,253
Financial assets at amortized cost (Note 1)	3,702,837	3,461,153	3,721,966
Financial assets at fair value through other comprehensive income	686,030	628,822	550,262
<u>Financial liability</u>			
At amortized cost (Note 2)	5,357,013	4,692,186	4,676,559

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

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, long-term borrowings (including those due within one year), notes payable, accounts payable (including related parties), other payables, corporate bonds payable, and guarantee deposits received.

(4) Financial risk management objectives and policies

The Group's main financial instruments include equity and financial assets measured at amortized cost, accounts receivable, accounts payable, borrowings, bonds payable, and lease liabilities. The Group's Finance Department provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using financial derivatives to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written guidelines on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1. Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below). The Group engaged in a variety of derivative financial instruments to manage its exposure to foreign currency risk, including forward exchange contracts and currency swaps to hedge the exchange rate risk arising from trading.

(1) Foreign currency risk

The Group engaged in sales and purchases denominated in foreign currencies, which exposed the Group to foreign currency risk. The Group hedged such foreign currency risk using the forward exchange contracts and currency swaps to the extent approved by policy.

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in nonfunctional currencies (including the monetary items denominated in nonfunctional currencies eliminated in the consolidated financial statements) on the balance sheet date are provided in Note 35.

Sensitivity analysis

The Group was mainly exposed to the risk of exchange rate fluctuation of the U.S. Dollar and Euro.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against each foreign currency. 1% increase or decrease is used when reporting foreign currency risk internally to key management and represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis included only outstanding foreign currency denominated monetary items. A 1% foreign exchange rate change is adjusted to the translation at the end of period. In the following table, a positive number below indicates an increase in pre-tax profit due to a 1% depreciation of the functional currency against the foreign currency. For a 1% appreciation of the functional currency against the foreign currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	Impact of USD		Impact of EUR	
	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Profit or loss	\$ 12,293 (i)	\$ 13,138 (i)	\$ 5,738 (ii)	\$ 3,043 (ii)

- (i) It was mainly due to the Group's trade receivables and payables denominated in the U.S. Dollar that were outstanding and yet mitigated by a cash flow hedge at the end of the reporting period.
- (ii) It was mainly due to the Group's trade receivables and payables denominated in the Euro that were outstanding and yet mitigated by a cash flow hedge at the end of the reporting period.

The management believed the sensitivity analysis did not reflect existing foreign currency risk because the exposure to the foreign currency risk at the end of the reporting period does not fairly represent the risk exposure during the reporting period.

(2) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Fair value interest rate risk			
- Financial assets	\$ 863,255	\$ 487,758	\$ 998,468
- Financial liabilities	2,012,131	2,474,715	1,934,522
Cash flow interest rate risk			
- Financial assets	1,402,930	1,362,144	1,258,512
- Financial liabilities	1,804,601	1,345,363	1,861,170

Sensitivity analysis

The sensitivity analyses below were determined based on the Company's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole reporting period. A 10 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rate.

If interest rates had been 10 basis point higher/lower and all other variables were held constant, the Group's pre-tax profits for the three-month periods ended March 31, 2026 and 2025 would have increased/decreased by NT\$100 thousand and decreased/increased by NT\$151 thousand, respectively.

(3) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes. The Group does not actively trade these investments. In addition, the Group designated specific team to monitor the price risk and establish the responding strategy.

Sensitivity analysis

The sensitivity analyses below were carried out based on the Company's exposure to equity price on the reporting date.

If equity price had increased/decreased by 15%, the Group's after-tax other comprehensive income for the three-month periods ended March 31, 2026 and 2025 would have increased/decreased by NT\$102,905 thousand and NT\$82,539 thousand, respectively, due to an increase/decrease in fair value of the financial assets at fair value through other comprehensive income.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk due to the failure of a counterparty to perform its obligations was the carrying amount of financial assets recognized in the consolidated financial statements.

In the balances of trade receivables as of March 31, 2026 and as of December 31 and March 31, 2025, the sums of trade receivables from group customers accounting for more than 10% of the Group's balance of trade receivables were NT\$788,846 thousand, NT\$743,729 thousand, and NT\$786,307 thousand, respectively, representing 55%, 57%, and 57% of the balances of trade receivables as of the said dates, respectively.

3. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support its operation and minimize the impact of cash flow volatility. The Group's management monitors the use of bank loan facilities and ensures compliance with loan covenants.

The Group relies on bank loans as a significant source of liquidity. As of March 31, 2026, and December 31 and March 31, 2025, the Group's unused bank facilities were set out in (2) borrowing facilities below.

(1) Liquidity and interest rate risk table

The table below summarizes the maturity profile of the Group's non-derivative financial liabilities, in which the payment terms were set, based on the earliest repayment date. The table was prepared with the undiscounted cash flows of financial liabilities that include the cash flows of interests and principles.

March 31, 2026

	On demand or less than 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
<u>Non derivative</u> <u>financial</u> <u>liabilities</u>					
Non-interest bearing liabilities	\$ 1,601,933	\$ 163,146	\$ 37,693	\$ 35	\$ -
Lease liabilities	14,038	13,347	25,394	49,077	303,342
Debt instruments	<u>1,315,324</u>	<u>978,739</u>	<u>1,175,037</u>	<u>89,412</u>	<u>-</u>
	<u>\$ 2,931,295</u>	<u>\$ 1,155,232</u>	<u>\$ 1,238,124</u>	<u>\$ 138,524</u>	<u>\$ 303,342</u>

Maturity profile of lease liabilities is as follows:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease liabilities	<u>\$ 27,385</u>	<u>\$ 74,471</u>	<u>\$303,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2025

	On demand or less than 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
<u>Non derivative</u> <u>financial</u> <u>liabilities</u>					
Non-interest bearing liabilities	\$ 1,267,420	\$ 170,114	\$ 511	\$ -	\$ -
Lease liabilities	14,008	12,000	23,405	50,885	307,182
Debt instruments	<u>1,637,044</u>	<u>869,497</u>	<u>1,055,430</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,918,472</u>	<u>\$ 1,051,611</u>	<u>\$ 1,079,346</u>	<u>\$ 50,885</u>	<u>\$ 307,182</u>

Maturity profile of lease liabilities is as follows:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease liabilities	<u>\$ 26,008</u>	<u>\$ 74,290</u>	<u>\$307,182</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

March 31, 2025

	On demand or less than 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
<u>Non derivative</u> <u>financial</u> <u>liabilities</u>					
Non-interest bearing liabilities	\$ 1,584,637	\$ 283,453	\$ 47,494	\$ -	\$ -
Lease liabilities	11,690	11,389	22,573	70,925	318,701
Debt instruments	<u>1,096,535</u>	<u>237,460</u>	<u>1,340,184</u>	<u>891,155</u>	<u>-</u>
	<u>\$ 2,692,862</u>	<u>\$ 532,302</u>	<u>\$ 1,410,251</u>	<u>\$ 962,080</u>	<u>\$ 318,701</u>

Maturity profile of lease liabilities is as follows:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease liabilities	<u>\$ 23,079</u>	<u>\$ 93,498</u>	<u>\$ 79,889</u>	<u>\$ 79,889</u>	<u>\$ 79,889</u>	<u>\$ 79,034</u>

(2) Borrowing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank facility			
-Drawn	\$ 2,715,302	\$ 2,722,580	\$ 2,702,965
-Undrawn	<u>3,621,971</u>	<u>3,141,910</u>	<u>3,286,950</u>
	<u>\$ 6,337,273</u>	<u>\$ 5,864,490</u>	<u>\$ 5,989,915</u>
Secured bank facility (Note 32)			
-Drawn	\$ -	\$ -	\$ -
-Undrawn	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>

(5) Transfers of financial assets

The Group's factored trade receivables are as follows:

Counterparty	Sales amount		Available advance amount		Advance amount used		Annual interest rate on advances received (%)
<u>For the three months ended</u>							
<u>March 31, 2026</u>							
Citibank	USD	6,175	USD	-	USD	6,175	5.15~5.80
	EUR	11,840	EUR	-	EUR	11,840	3.36~3.61
<u>For the three months ended</u>							
<u>March 31, 2025</u>							
Citibank	USD	9,427	USD	-	USD	9,427	6.09~6.74
	EUR	9,400	EUR	-	EUR	9,400	4.29~4.54

Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the banks.

31. Transactions with related parties

The Company's ultimate parent company is Sino-American Silicon Products Inc. (referred to as "Sino-American Silicon"). Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

(1) Related parties and relationship

Related parties	Relationship with the Group
GlobalWafers Co., Ltd.	Sino-American Silicon's subsidiary
Sustainable Energy Solution Co., Ltd.	Sino-American Silicon's subsidiary
Hong Wang Investment Co., Ltd.	Investments in Joint Ventures
Excelliance MOS Corporation	Associate

(2) Business transactions

Financial Statement Account	Related parties category/name	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Purchases of goods	GlobalWafers Co., Ltd.	<u>\$ 34,626</u>	<u>\$ 64,530</u>

The transactions listed above mainly comprise purchases of flat wafers, and there was no significant difference from other suppliers in terms of the purchase price of flat wafers. The payment terms were 30~90 days end of month for related party, 30~90 days end of month for domestic non-related parties, and T/T 50~60 days for foreign parties.

Financial Statement Account	Related parties category/name	March 31, 2026	December 31, 2025	March 31, 2025
Trade payables	GlobalWafers Co., Ltd.	<u>\$ 37,095</u>	<u>\$ 31,465</u>	<u>\$ 58,263</u>

(3) Balance of trade receivables - related party

Financial Statement Account	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables	Excelliance MOS Corporation	\$ 54,900	\$ -	\$ 62,250
	Hong Wang Investment Co., Ltd.	-	-	57,466
		<u>\$ 54,900</u>	<u>\$ -</u>	<u>\$ 119,716</u>

(4) Others

Financial Statement Account	Related parties	March 31, 2026	December 31, 2025	March 31, 2025
Refundable deposits	Sustainable Energy Solution Co., Ltd.	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

(4) Compensation of key management personnel

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Short-term employee benefits	\$ 19,616	\$ 22,097
Share-based Payment	2,158	2,158
Post-employment benefits	54	27
	<u>\$ 21,828</u>	<u>\$ 24,282</u>

The remuneration of directors and key executives was determined by the remuneration committee taking into account the performance of individuals and market trends.

32. Assets pledged as collateral or for security

The following assets were pledged as collateral for borrowings:

	March 31, 2026	December 31, 2025	March 31, 2025
Freehold Land	\$ 107,843	\$ 107,843	\$ 107,843
Building	133,625	134,680	137,845
Pledged time deposits (classified as financial assets at amortized cost)	<u>18,419</u>	<u>18,419</u>	<u>18,415</u>
	<u>\$ 259,887</u>	<u>\$ 260,942</u>	<u>\$ 264,103</u>

33. Significant contingent liabilities and unrecognized contract commitments

Except described in other notes of this financial statements, the Company had the following significant contingent liabilities and unrecognized commitments as of the end of the reporting period:

- (1) As of March 31, 2026, and December 31 and March 31, 2025, the Group had the contract commitments that was not recognized as property, plant and equipment amounted NT\$164,357 thousand, NT\$166,686 thousand and NT\$369,604 thousand, respectively.
- (2) The subsidiary Mosel Vitelic Inc. entered into a procurement contract with Company S, and, as agreed, S Company shall be committed to supplying the Company a total of 121,500 thousand pieces of solar wafers within the contract period while the Company shall make a certain amount of prepayment. However, both parties have not agreed on a substitute for the said transaction model. As of March 31, 2026, Mosel Vitelic Inc. has prepaid US\$112 thousand (NT\$3,573 thousand) and NT\$54,845 thousand in total with the accumulated impairment of NT\$58,418 thousand. In addition, in light of different market conditions between the current solar power industry and that of the time when the contract was entered into, both parties terminated all orders and prepayments in connection to the original contract.

- (3) The subsidiary Mosel Vitelic Inc. entered into several wafer foundry agreements that guaranteed manufacturing capacity with various clients, and it has provided specific amounts of manufacturing capacity to these clients as agreed.
- (4) The subsidiary, Anjet Corporation, entered into a seven-year long-term raw material procurement contract with its major raw material suppliers. The contract includes a procurement guarantee of US\$5,625 thousand, with agreed-upon minimum purchase quantities for each year of the contract term. When purchase quantities reach the levels stipulated in the contract, the guarantee will be returned in installments or credited against accounts payable, as per the contract terms. As of March 31, 2026, US\$2,812 thousand has been paid.

34. Significant subsequent events

None.

35. Significant assets and liabilities denominated in foreign currencies

The Group's significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2026

<u>Financial asset</u>	<u>Foreign currency</u>	<u>Exchange rate</u>		<u>Carrying amount</u>
<u>Monetary items</u>				
USD	\$ 47,949	31.995	(USD:NTD)	\$ 1,534,122
USD	901	6.912	(USD:CNY)	28,817
EUR	15,657	36.71	(EUR:NTD)	574,787
CNY	33,900	4.629	(CNY:NTD)	156,925
<u>Non-monetary items</u>				
Foreign investments in securities				
USD	1,906	31.995	(USD:NTD)	60,593
<u>Financial liability</u>				
<u>Monetary items</u>				
USD	10,429	31.995	(USD:NTD)	333,685
JPY	108,401	0.201	(JPY:NTD)	21,734

Foreign currency assets and liabilities are as follows:

December 31, 2025

Financial asset	Foreign currency	Exchange rate		Carrying amount
<u>Monetary items</u>				
USD	\$ 51,660	31.430	(USD:NTD)	\$ 1,623,671
USD	333	6.991	(USD:CNY)	10,474
EUR	6,392	36.90	(EUR:NTD)	235,874
CNY	37,325	4.496	(CNY:NTD)	167,813
<u>Non-monetary items</u>				
Foreign investments in securities				
USD	1,906	31.430	(USD:NTD)	59,906
<u>Financial liability</u>				
<u>Monetary items</u>				
USD	12,083	31.430	(USD:NTD)	379,755
JPY	95,729	0.2008	(JPY:NTD)	19,222

March 31, 2025

Financial asset	Foreign currency	Exchange rate		Carrying amount
<u>Monetary items</u>				
USD	\$ 50,742	33.205	(USD:NTD)	\$ 1,684,900
USD	701	7.321	(USD:CNY)	23,268
EUR	8,472	35.97	(EUR:NTD)	304,750
CNY	4,750	4.573	(CNY:NTD)	21,721
<u>Non-monetary items</u>				
Foreign investments in securities				
USD	5,306	33.205	(USD:NTD)	387,496
<u>Financial liability</u>				
<u>Monetary items</u>				
USD	11,866	33.205	(USD:NTD)	394,023
JPY	78,233	0.2227	(JPY:NTD)	17,423

The following information was aggregated by the functional currencies of the entities in the Group that hold foreign currencies, and the exchange rates between functional currencies and presentation currency were disclosed. The significant realized and unrealized foreign exchange gains and losses were as follows:

Functional currency	For the three months ended March 31, 2026		For the three months ended March 31, 2025	
	Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)	Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)
CNY	4.574 (CNY:NTD)	(\$ 339)	4.516 (CNY:NTD)	\$ 78
USD	31.631 (USD:NTD)	(4,256)		
NTD	1 (NTD:NTD)	29,525	1 (NTD:NTD)	38,611
		<u>\$ 24,930</u>		<u>\$ 38,689</u>

36. Separately disclosed items

- (1) Information about significant transactions:
 1. Financing provided to others: Table 1.
 2. Endorsements/guarantees provided: None.
 3. Significant marketable securities held at the end of period (excluding investment in subsidiaries, associates and joint ventures): Table 2.
 4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 3.
 5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.
 6. Others: Intercompany relationships and significant intercompany transactions: Table 5.
- (2) Information on investees: Table 6.

- (3) Information on investments in mainland China:
1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income for current period, return on investees recognized, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 7.
 2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None.
 - (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - (3) The amount of property transactions and the amount of the resultant gains or losses.
 - (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - (5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - (6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

37. Segment information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance was focused on each type of products sold or services rendered. The Group's reportable segments were as follows:

Taiwan business segment

Mainland China Qingdao segment

Taiwan Mosel Vitelic segment

Segment revenue and operating result

Analysis on revenue and operating result from continuing operations of the Company and its subsidiaries by reportable segments is as follows:

	Segment revenue		Segment profit or loss	
	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Taiwan business segment	\$ 1,739,313	\$ 1,799,995	\$ 177,735	\$ 203,617
Mainland China Qingdao segment	77,992	63,857	8,015	4,898
Taiwan Mosel Vitelic segment	486,204	550,802	(24,520)	17,510
Others	96,776	105,212	(30,165)	5,129
Total from continuing operations	2,400,285	2,519,866	131,065	231,154
Less: eliminations between operating segments	(363,166)	(403,534)	(958)	8,121
Revenue or profit or loss from transactions between operating segments and external customers	<u>\$ 2,037,119</u>	<u>\$ 2,116,332</u>	130,107	239,275
Interest income			4,474	7,038
Other income			4,583	8,732
Other gains and losses			24,961	38,593
Finance costs			(25,564)	(27,895)
Share of profit of investment in associates and joint ventures accounted for using equity method			<u>31,725</u>	<u>42,872</u>
Profit before tax			<u>\$ 170,286</u>	<u>\$ 308,615</u>

Segment profit represented the profit before tax earned by each segment without other income, other gains and losses, finance costs, and share of profit or loss of associates and joint ventures accounted for using the equity method. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Actron Technology Corporation and Subsidiaries
 Financing provided to others
 For the three months ended March 31, 2026

Table 1

Unit: unless otherwise stated, in thousands of New Taiwan Dollars and foreign currencies

Serial No.	Company that received the loan	Loan recipient	Transaction items	Whether it is a related party	Maximum balance for this period	Ending balance	Actual Amount Borrowed	Range of interest rates	Type of fund lending	Transaction amount	Reasons for the need for short-term financing	Allowance for impairment loss	Collateral		Loan limit to individual parties	Total limit on loans to others	Remarks
													Item	Value			
1	Anjet Corporation	Anjet Corporation	Other receivables	Yes	\$ 287,955 (USD 9,000)	\$ 287,955 (USD 9,000)	\$ 256,471 (USD 8,016)	2.14%	Short-term financing	\$ -	-	\$ -	None	\$ -	\$ 81,744 (Notes 1 and 5)	\$ 81,744 (Notes 1 and 5)	-

Note 1: The total amount of loans shall not exceed 40% of the net worth of the lending company. For short-term financing needs, the total loan amount shall not exceed 40% of the lending company's net worth. Loans to subsidiaries where the lending company directly or indirectly holds more than 50% of voting shares, or to subsidiaries included in the consolidated entity in accordance with International Financial Reporting Standards, shall be limited to 40% of the lending company's net worth per subsidiary. Loans to all other individual borrowers shall be limited to 10% of the lending company's net worth.

Note 2: The loan limit was exceeded at the end of the period, and the subsidiary, Anjet Corporation, submitted an improvement plan to the Board of Directors in December 2025, and completed the improvement in April 2026 as planned.

Note 3: Where foreign currencies are involved, they are converted into New Taiwan Dollars at the exchange rate prevailing on the financial reporting date (period-end exchange rate: USD\$1= NT\$31.995).

Note 4: The intercompany loans have been eliminated upon preparation of the consolidated financial statements.

Note 5: Calculated based on the Company's most recent net worth as audited by CPAs.

Actron Technology Corporation and Subsidiaries
Significant Marketable Securities Held at the End of Period
March 31, 2026

Table 2

Unit: NT\$ thousand

Name of holding company	Type and name of marketable securities	Relationship with the holding company	Financial Statement Account	At the end of the period				Remarks
				Number of shares (in thousand shares)	Carrying amount	Percentage of ownership	Fair value	
Actron Technology Corporation	Sino-American Silicon Products Inc.	Parent	Financial assets at fair value through other comprehensive income -non-current	2,000	\$ 215,000	0.31%	\$ 215,000	—
	Phoenix Pioneer Technology Co., Ltd.	—	Financial assets at fair value through other comprehensive income -non-current	10,179	393,401	4.91%	393,401	—
	AMED VENTURES I, L.P.	—	Financial assets at fair value through other comprehensive income -non-current	-	60,953	-	60,953	—
Mosel Vitelic Inc.	ProMOS Technologies Inc.	—	Financial assets at fair value through other comprehensive income -non-current	636	11,016	1.41%	11,016	—

Actron Technology Corporation and Subsidiaries

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

For the three months ended March 31, 2026

Table 3

Unit: NT\$ thousand

Purchaser or seller	Counterparty	Relationship	Transaction Details				Abnormal transaction and reason		Notes/Trade receivables (payables)			Remarks
			Purchase/sale	Amount	As percentage to total purchase or sale	Payment terms	Unit price	Payment terms	Financial statement account	Ending balance	As percentage to total notes/trade receivables (payables)	
Actron Technology Corporation	Mosel Vitelic Inc.	Subsidiary	Purchases of goods	\$ 179,387	23%	30 days end of month	-	-	Trade payables and other payables	\$ 90,749	13%	Note 1
Mosel Vitelic Inc.	Actron Technology Corporation	Parent	Sale	179,387	12%	30 days end of month	-	-	Trade receivables	90,749	25%	Note 1
Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	Subsidiary	Purchases of goods	180,880	23%	90 days end of month	-	-	Accounts payable and accrued expenses	226,373	33%	Note 1
Ding-Wei Technology Co., Ltd.	Actron Technology Corporation	Parent	Sale	180,880	100%	90 days end of month	-	-	Trade receivables	226,373	100%	Note 1

Note 1: This is a transaction between parent company and its subsidiary and has been eliminated upon consolidation.

Actron Technology Corporation and Subsidiaries
 Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital
 For the three months ended March 31, 2026

Table 4

Unit: NT\$ thousand

Company recognizes the receivables	Counterparty	Relationship	Balance of trade receivables - related party		Average turnover ratio	Overdue		Amount collected in subsequent period	Allowance for impairment loss
			Financial statement account	Ending balance		Amount	Action taken		
			Anjet Corporation	Anjet Corporation					
Ding-Wei Technology Co., Ltd.	Actron Technology Corporation	Parent	Trade receivables	226,373	3.62	-	-	71,866	-

Note: eliminated upon consolidation.

Actron Technology Corporation and Subsidiaries
Intercompany relationships and significant intercompany transactions
For the three months ended March 31, 2026

Table 5

Unit: NT\$ thousand

Serial No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial statement account	Amount	Transaction terms	As percentage to total revenue or total assets (Note 3)
0	Actron Technology Corporation	Smooth Autocomponent Limited	1	Sales revenue	\$ 1,573	Domestic 60 days end of month	-
0	Actron Technology Corporation	Smooth Autocomponent Limited	1	Accounts receivable and other receivables	1,966	Domestic 60 days end of month	-
0	Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	1	Accounts payable and accrued expenses	226,373	Domestic 90 days end of month	1%
0	Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	1	Cost of sales	180,880	Domestic 90 days end of month	9%
0	Actron Technology Corporation	Rec Technology Corporation	1	Sales revenue	1,078	Domestic 60 days end of month	-
0	Actron Technology Corporation	Rec Technology Corporation	1	Other income	1,320	Domestic 60 days end of month	-
0	Actron Technology Corporation	Mosel Vitelic Inc.	1	Trade payables and other payables	90,749	Domestic 30 days end of month	1%
0	Actron Technology Corporation	Mosel Vitelic Inc.	1	Cost of sales	179,387	Domestic 30 days end of month	9%
0	Actron Technology Corporation	Anjet Corporation	1	Trade receivables	2,445	Domestic 60 days end of month	-
0	Actron Technology Corporation	Anjet Corporation	1	Sales revenue	1,046	Domestic 60 days end of month	-
1	Mosel Vitelic Inc.	DenMOS Technology Inc.	1	Trade receivables	8,555	Domestic 45 days end of month	-
1	Mosel Vitelic Inc.	DenMOS Technology Inc.	1	Sales revenue	9,349	Domestic 45 days end of month	-

Note 1: Intercompany transactions between the parent company and subsidiaries shall be indicated by number as described below:

1. The parent company is coded "0".
2. The subsidiaries are coded consecutively beginning from "1".

Note 2: The relationship between the transaction parties can be classified into three categories below, and it shall be indicated by number:

1. No. 1 represents the transactions from parent company to subsidiary.
2. No. 2 represents the transactions from subsidiary to parent company.
3. No. 3 represents the transactions between subsidiaries.

Note 3: In the calculation of ratio of transaction amount to total consolidated revenue or total assets, for assets or liabilities, the ratio of ending balance to the total assets shall be used; for profit or loss, the ratio between interim accumulated amount to the total revenue shall be used.

Note 4: All transactions above were eliminated upon consolidation.

Actron Technology Corporation and Subsidiaries
Names, locations and related information of investee companies
For the three months ended March 31, 2026

Table 6

Unit: NT\$ thousand

Investor	Investee	Location	Principle business activity	Initial investment		At the end of the period			Net income (loss) of investee company	Investment income (loss) recognized	Remarks
				Ending balance	Beginning balance	Shares	Ratio	Carrying amount			
Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	Taoyuan City	Manufacturing and sale of auto components and parts	\$ 306,900	\$ 306,900	15,000,000	100%	\$ 266,958	\$ 10,623	\$ 13,271	Subsidiary
Actron Technology Corporation	Smooth International Limited Corporation	Samoa	Investment holding	453,440	453,440	12,000,000	100%	493,228	5,679	5,679	Subsidiary
Smooth International Limited Corporation	Smooth Autocomponent Limited	Hong Kong	Investment holding	363,260	363,260	12,000,000	100%	397,243	5,679	Not applicable	Subsubsidiary
Actron Technology Corporation	Rec Technology Corporation	Taoyuan City	Manufacturing and sale of auto components and parts	208,102	208,102	8,487,823	49%	103,580	845	417	Subsidiary
Actron Technology Corporation	Hong Wang Investment Co., Ltd.	New Taipei City	Investment	300,000	300,000	30,000,000	30%	684,935	23,120	6,936	Joint venture
Actron Technology Corporation	Mosel Vitelic Inc.	Hsinchu City	Semiconductors	1,180,191	1,180,191	(Note 1) 46,925,459	30%	1,819,991	(16,971)	(6,963)	Subsidiary
Actron Technology Corporation	Bigbest Solutions, Inc.	Taichung City	Manufacture of motors	245,143	245,143	19,314,319	28%	76,834	1,364	376	Subsidiary
Actron Technology Corporation	Excelliance MOS Corporation	Hsinchu City	Semiconductors	1,491,750	1,491,750	15,000,000	29%	1,449,319	84,098	24,789	Associate
Actron Technology Corporation	Anjet Corporation	British Cayman Islands	Investment holding	394,997	394,997	5,741,026	33%	362,145	(33,654)	(11,141)	Subsidiary
Mosel Vitelic Inc.	DenMOS Technology Inc.	Hsinchu City	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	317,682	317,682	9,585,003	84%	112,124	1,014	Not applicable	Subsubsidiary
Mosel Vitelic Inc.	Giant Haven Investments Ltd. (BVI)	British Virgin Islands	Investment holding	583,675	583,675	15	100%	5,978	94	Not applicable	Subsubsidiary
Mosel Vitelic Inc.	Integrated Memory Technologies, Inc.	United States	Flash memory design house	44,753	44,753	2,500,000	23%	-	-	Not applicable	Associate
Giant Haven Investments Ltd. (BVI)	Third Dimension Semiconductor, Inc.	United States	Power IC design	314,640	314,640	49,182,884	43%	-	(1,894)	Not applicable	Subsubsidiary
Anjet Corporation	Anjet Corporation	Taipei City	Production and sales of electronic components, information software services, and other design businesses.	390,000	390,000	39,000,000	100%	(94,170)	(26,532)	Not applicable	Subsubsidiary
Anjet Corporation	Anjet Research Lab Co., Ltd.	Japan	R&D and design of electronic components	17,446	17,446	70,000	100%	20,660	569	Not applicable	Subsubsidiary

Note 1: Among which 468,000 shares were ordinary shares and 29,532,000 shares were preferred shares.

Actron Technology Corporation and Subsidiaries
Information on investments in mainland China
For the three months ended March 31, 2026

Table 7

Unit: NT\$ thousand

Investee	Principle business activity	Total paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of the beginning of the period	Investment flows of the period		Accumulated outflow of investment from Taiwan as of the end of the period	Net income (loss) of investee company	The Company's direct or indirect percentage of ownership	Investment income (loss) recognized for the period (Note 2)	Carrying amount at the end of the period	Accumulated inward remittance of earnings at the end of the period
					outflow	inflow						
Smooth Autocomponent Limited	Manufacture of motor parts	Authorized and paid-in capital were both USD 12,000	Note 1	\$ 383,940	\$ -	\$ -	\$ 383,940	\$ 5,679	100%	\$ 5,679	\$ 397,243	\$ 70,083
Anjie Core Technology (Beijing) Co., Ltd.	Sales of electronic components	Authorized and paid-in capital were both USD 450	Note 1	14,398	-	-	14,398	(238)	33%	(79)	3,115	-

Accumulated investment in Mainland China at the end of the period	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment (Note 3)
\$ 398,338	\$ 398,338	\$ 5,913,259

Note 1: Indirectly investment in Mainland China through companies registered in a third region.

Note 2: Recognition based on the unreviewed financial statements.

Note 3: According to the investment limit in Mainland China set by the Investment Commission, Ministry of Economic Affairs, the Company's investment limit is calculated as NT\$9,855,431 (consolidated net worth) × 60% = NT\$5,913,259.