JPC CONNECTIVITY INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Representation Letter

In connection with the Consolidated Financial Statements of Affiliated Enterprises of JPC Connectivity Inc. (the "Consolidated FS of the Affiliates"), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2025 in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the Consolidated Financial Statements of JPC Connectivity Inc. and its subsidiaries (the "Consolidated FS of the Group") in accordance with International Financial Reporting Standard 10, as well as that, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, JPC Connectivity Inc. does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,
JPC Connectivity Inc.
By

Chang, Shu-Mei,Chairman
March 6, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of JPC Connectivity Inc.

Opinion

We have audited the accompanying consolidated balance sheets of JPC Connectivity Inc. and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2025 consolidated financial statements are stated as follows:

Appropriateness of cut-off on sales revenue

Description

For the accounting policy on revenue recognition, refer to Note 4(30).

The Group's sales mainly arise from manufacturing and sales of electronic components and the Group is primarily engaged in international sales. The revenue from international sales is recognised based on the transaction terms with customers. As there are a large number of customers, sales areas and transaction terms, we considered the cut-off on sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the transaction terms of sales revenue and tested the internal control over the recognition of sales revenue.
2. Selected samples of supporting documents used in revenue recognition, including verifying orders, delivery orders and other relevant documents to evaluate the appropriateness of the cut-off on revenue.
3. Performed cut-off test on sales transactions for a certain period before and after the balance sheet date to assess the appropriateness of the cut-off on sales revenues.

Valuation of inventories

Description

Refer to Note 4(14) for accounting policy on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventories. As at December 31, 2025, the Company's inventories and loss allowance were NT$900,855 thousand and NT$84,101 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of electronic components. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. The Group's inventory is stated at the lower of cost and net realizable value, and the net realizable value of inventories over a certain age and individually identified as obsolete is evaluated based on the historical data on inventory clearance and discounts.

The Group operates in an environment characterized by rapidly changing technology and the calculation of the net realizable value of obsolete inventories involves subjective judgment, which would result in a high degree of estimation uncertainty. Given that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Group's operations and industry. Assessed the reasonableness of the policies and procedures used to recognise allowance for inventory valuation losses.
2. Obtained the report on net realizable value of each inventory item and checked whether the calculation logic was applied consistently to each inventory item.
3. Verified the appropriateness of system logic used in the Group's inventory aging reports to confirm whether the information on the reports is consistent with its policies.
4. Discussed with management the estimated net realizable value of inventory items aged over a certain period and individually identified as obsolete and damaged, obtained and corroborated against supporting documents and recalculated the allowance provision.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT$1,056,509 thousand and NT$740,287 thousand, constituting 12% and 10% of the consolidated total assets as at December 31, 2025 and 2024, respectively, and the operating revenue amounted to NT$861,840 thousand and NT$841,552 thousand, constituting 11% and 12% of the consolidated net operating revenue for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of JPC Connectivity Inc. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for the 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wu, Jen-Chieh Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 6, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 2,071,557	24	$ 1,603,816	21
1110	Current financial assets at fair value through profit or loss	6(2)	131,643	2	163,254	2
1120	Current financial assets at fair value through other comprehensive income	6(3)	561,838	7	313,754	4
1136	Current financial assets at amortised cost, net	6(4) and 8	372,188	4	1,032,332	13
1170	Accounts receivable, net	6(5) and 7	2,079,483	24	1,611,637	21
1200	Other receivables		69,910	1	62,537	1
130X	Inventory	6(6)	816,754	9	637,962	8
1410	Prepayments	6(7)	116,624	1	87,304	1
11XX	**Total current assets**		6,219,997	72	5,512,596	71
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	160,321	2	30,697	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	410,665	5	380,053	5
1550	Investments accounted for under equity method	6(8)	104,403	1	116,748	2
1600	Property, plant and equipment	6(9) and 8	928,764	11	954,196	12
1755	Right-of-use assets	6(10) and 7	151,806	2	109,908	2
1760	Investment property - net	6(11) and 8	92,663	1	19,451	-
1780	Intangible assets	6(12)	490,708	5	521,374	7
1840	Deferred income tax assets		25,677	-	16,032	-
1900	Other non-current assets	6(13) and 8	61,210	1	63,056	1
15XX	**Total non-current assets**		2,426,217	28	2,211,515	29
1XXX	**Total assets**		$ 8,646,214	100	$ 7,724,111	100

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JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2120	Current financial liabilities at fair value through profit or loss	6(2)	$ 261	-	$ -	-
2130	Current contract liabilities	6(21)	35,107	-	34,124	-
2170	Accounts payable	7	1,576,668	18	1,287,395	17
2200	Other payables	6(15)	406,445	5	491,792	6
2230	Current income tax liabilities	6(25)	163,291	2	148,841	2
2280	Current lease liabilities	6(29) and 7	53,125	1	39,732	1
2399	Other current liabilities		6,727	-	3,978	-
21XX	**Total current liabilities**		2,241,624	26	2,005,862	26
	Non-current liabilities					
2530	Bonds payable	6(14)	960,490	11	938,750	12
2570	Deferred income tax liabilities		80,437	1	104,530	1
2580	Non-current lease liabilities	6(29) and 7	91,822	1	59,999	1
2600	Other non-current liabilities		5,456	-	4,524	-
25XX	**Total non-current liabilities**		1,138,205	13	1,107,803	14
2XXX	**Total liabilities**		3,379,829	39	3,113,665	40
	Equity attributable to owners of parent					
	Share capital	6(17)				
3110	Common stock		1,220,859	14	1,220,859	16
	Capital surplus	6(18)				
3200	Capital surplus		437,097	5	437,097	5
	Retained earnings	6(19)				
3310	Legal reserve		762,268	9	650,914	9
3320	Special reserve		11,134	-	233,667	3
3350	Unappropriated retained earnings		2,320,040	27	1,881,214	24
	Other equity interest	6(20)				
3400	Other equity interest		271,442	3	(11,133)	-
31XX	**Equity attributable to owners of the parent**		5,022,840	58	4,412,618	57
36XX	**Non-controlling interests**		243,545	3	197,828	3
3XXX	**Total equity**		5,266,385	61	4,610,446	60
3X2X	**Total liabilities and equity**		$ 8,646,214	100	$ 7,724,111	100

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

JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21) and 7	$ 7,579,041	100	$ 6,765,078	100
5000	Operating costs	6(6)(23) and 7	(4,976,605)	(66)	(4,522,738)	(67)
5900	Net operating margin		2,602,436	34	2,242,340	33
	Operating expenses	6(23)				
6100	Selling expenses		(467,236)	(6)	(459,347)	(7)
6200	General and administrative expenses		(414,145)	(5)	(387,786)	(5)
6300	Research and development expenses		(200,506)	(3)	(192,336)	(3)
6450	Impairment (loss) gain determined in accordance with IFRS 9		(4,084)	-	957	-
6000	Total operating expenses		(1,085,971)	(14)	(1,038,512)	(15)
6900	Operating profit		1,516,465	20	1,203,828	18
	Non-operating income and expenses					
7100	Interest income		33,731	-	39,392	1
7010	Other income	6(2)(3)	39,768	1	37,621	1
7020	Other gains and losses	6(22)	(127,457)	(2)	170,036	2
7050	Finance costs	7	(26,304)	-	(39,547)	(1)
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	(1,793)	-	(624)	-
7000	Total non-operating income and expenses		(82,055)	(1)	206,878	3
7900	**Profit before income tax**		1,434,410	19	1,410,706	21
7950	Income tax expense	6(25)	(305,493)	(4)	(270,697)	(4)
8200	**Profit for the year**		$ 1,128,917	15	$ 1,140,009	17
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	6(16)	$ 2,395	-	$ 2,060	-
8316	Unrealised gain on financial assets at fair value through other comprehensive income	6(3)(20)	412,257	5	204,642	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(479)	-	(412)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		414,173	5	206,290	3
	Components of other comprehensive income that will be reclassified to profit or loss	6(20)				
8361	Financial statements translation differences of foreign operations		(2,394)	-	85,029	1
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(5,607)	-	142	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(8,001)	-	85,171	1
8300	**Total other comprehensive income for the year**		$ 406,172	5	$ 291,461	4
8500	**Total comprehensive income for the year**		$ 1,535,089	20	$ 1,431,470	21
	Profit attributable to:					
8610	Owners of the parent		$ 1,058,718	14	$ 1,060,644	16
8620	Non-controlling interests		70,199	1	79,365	1
			$ 1,128,917	15	$ 1,140,009	17
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 1,464,823	19	$ 1,347,142	20
8720	Non-controlling interests		70,266	1	84,328	1
			$ 1,535,089	20	$ 1,431,470	21
	Earnings per share (in dollars)	6(26)				
9750	Basic earnings per share		$	8.67	$	8.69
9850	Diluted earnings per share		$	8.30	$	8.55

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

JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent											
			Capital Reserves			Retained Earnings			Other Equity Interest				
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Capital surplus from treasury stock transactions	Capital surplus, share options	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
2024													
Balance at January 1, 2024		$ 1,220,859	$ 259,729	$ 12,839	$ -	$ 585,160	$ 256,966	$ 1,249,636	($ 213,784)	($ 19,883)	$ 3,351,522	$ 132,364	$ 3,483,886
Consolidated net income		-	-	-	-	-	-	1,060,644	-	-	1,060,644	79,365	1,140,009
Other comprehensive income	6(20)	-	-	-	-	-	-	1,648	80,208	204,642	286,498	4,963	291,461
Total comprehensive income		-	-	-	-	-	-	1,062,292	80,208	204,642	1,347,142	84,328	1,431,470
Appropriations of 2023 earnings:	6(19)												
Legal reserve		-	-	-	-	65,754	-	(65,754)	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(23,299)	23,299	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(439,509)	-	-	(439,509)	-	(439,509)
Cash dividends from capital surplus	6(19)	-	(73,252)	-	-	-	-	-	-	-	(73,252)	-	(73,252)
Proceeds from issuance of bonds		-	-	-	237,781	-	-	-	-	-	237,781	-	237,781
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)(20)	-	-	-	-	-	-	62,316	-	(62,316)	-	-	-
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	(11,066)	-	-	(11,066)	-	(11,066)
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(34,677)	(34,677)
Acquisition of subsidiary		-	-	-	-	-	-	-	-	-	-	15,813	15,813
Balance at Decembe 31, 2024		$ 1,220,859	$ 186,477	$ 12,839	$ 237,781	$ 650,914	$ 233,667	$ 1,881,214	($ 133,576)	$ 122,443	$ 4,412,618	$ 197,828	$ 4,610,446
2025													
Balance at January 1, 2025		$ 1,220,859	$ 186,477	$ 12,839	$ 237,781	$ 650,914	$ 233,667	$ 1,881,214	($ 133,576)	$ 122,443	$ 4,412,618	$ 197,828	$ 4,610,446
Consolidated net income		-	-	-	-	-	-	1,058,718	-	-	1,058,718	70,199	1,128,917
Other comprehensive income (loss)	6(20)	-	-	-	-	-	-	1,916	(8,068)	412,257	406,105	67	406,172
Total comprehensive income (loss)		-	-	-	-	-	-	1,060,634	(8,068)	412,257	1,464,823	70,266	1,535,089
Appropriations of 2024 earnings:	6(19)												
Legal reserve		-	-	-	-	111,354	-	(111,354)	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(222,533)	222,533	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(854,601)	-	-	(854,601)	-	(854,601)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)(20)	-	-	-	-	-	-	121,614	-	(121,614)	-	-	-
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(34,159)	(34,159)
Disposing of a subsidiary		-	-	-	-	-	-	-	-	-	-	(2,961)	(2,961)
Acquisition of subsidiary	6(27)	-	-	-	-	-	-	-	-	-	-	12,571	12,571
Balance at Decembe 31, 2025		$ 1,220,859	$ 186,477	$ 12,839	$ 237,781	$ 762,268	$ 11,134	$ 2,320,040	($ 141,644)	$ 413,086	$ 5,022,840	$ 243,545	$ 5,266,385

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

JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,434,410	$ 1,410,706
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(23)	141,777	123,910
Amortisation	6(12)(23)	30,066	29,951
Expected credit loss (gain) (reversal of expected credit loss)	12(2)	4,084	(957)
Dividend income	6(2)(3)	(26,703)	(22,051)
Interest income		(33,731)	(39,392)
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(22)	(3,781)	(71,880)
Gain on disposal of property, plant and equipment	6(22)	(668)	(58,363)
Loss on disposal of investments	6(8)(22)(27)	10,577	-
Gain on disposal of a subsidiary	6(8)(22)	(996)	-
Interest expense		26,304	39,547
Share of loss of associates and joint ventures accounted for under equity method	6(8)	1,793	624
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value		(93,971)	171,265
Accounts receivable		(461,112)	(167,772)
Other receivables		(9,740)	(19,036)
Inventories		(188,715)	(50,471)
Prepayments		(29,165)	(14,334)
Other non-current assets		(244)	(235)
Changes in operating liabilities			
Contract liabilities		6,070	9,495
Accounts payable		285,769	327,543
Other payables		3,419	97,354
Other current liabilities		880	(1,860)
Other non-current liabilities		-	(2,056)
Cash inflow generated from operations		1,096,323	1,761,988
Interest received		33,731	39,392
Interest paid		(4,564)	(6,529)
Income tax paid		(325,257)	(264,768)
Net cash flows from operating activities		800,233	1,530,083

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JPC CONNECTIVITY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		($ 149,192)	($ 249,632)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	282,754	122,678
Increase in financial assets at amortized cost		(1,323,994)	(1,117,276)
Decrease in financial assets at amortised cost		1,984,325	461,950
Acquisition of investments accounted for using equity method	6(8)	-	(109,116)
Proceeds from disposal of investments accounted for using equity method	6(8)	(2,981)	-
Acquisition of property, plant and equipment	6(28)	(167,179)	(540,526)
Proceeds from disposal of property, plant and equipment		24,348	185,785
Acquisition of intangible assets	6(12)	(7,612)	(9,523)
Net cash outflow for business combinations	6(28) and 12(3)	(79,448)	(100,130)
Net cash outflow for disposal of a subsidiary	6(28)	(4,776)	-
Dividends received	6(2)(3)	26,703	22,051
Increase in other non-current assets		(14,740)	(5,947)
Net cash flows from (used in) investing activities		568,208	(1,339,686)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(29)	-	1,161,000
Decrease in short-term borrowings	6(29)	-	(1,261,000)
Payment of lease liabilities	6(29)	(49,469)	(45,387)
Payment of cash dividends	6(19)	(854,601)	(439,509)
Payment of cash dividends from capital surplus	6(19)	-	(73,252)
Change in non-controlling interests		(34,159)	(45,743)
Net cash generated from acquisition of subsidiary	4(3)	-	15,813
Proceeds from issuance of bonds	6(29)	-	1,168,966
Net cash flows (used in) from financing activities		(938,229)	480,888
Effect of foreign exchange translations		37,529	11,488
Net increase in cash and cash equivalents		467,741	682,773
Cash and cash equivalents at beginning of year		1,603,816	921,043
Cash and cash equivalents at end of year		$ 2,071,557	$ 1,603,816

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

1. History and Organization

JPC Connectivity Inc. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the trade and import and export of various computer software and hardware and its peripherals as well as electronic products and components, manufacture and wholesale of wireless communication equipment and apparatus, data storage and processing equipment, wired communication equipment and apparatus and printers.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These consolidated financial statements were authorised for issuance by the Board of Directors on March 6, 2026.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature -dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

These amendments require an entity to:

A. Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to ESG targets), non-recourse features and contractually-linked instruments.

B. Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortised cost of financial liabilities subject to these contractual terms.

C. Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognise a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met.

The conditions for the exception are that the entity making the payment does not have:

i.the practical ability to withdraw, stop or cancel the payment instruction;

ii.the practical ability to access the cash used for settlement; and

iii.significant settlement risk.

D. Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to

investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

Note：The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
   (a) Financial assets at fair value through profit or loss.
   (b) Financial assets at fair value through other comprehensive income.
   (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

(d) Contingent consideration recognised at fair value arising from business combinations.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group obtained control over subsidiaries in stages, the Group should remeasure its previously held interest at fair value at the acquisition date, and that fair value is regarded as the cost on initial recognition of the subsidiary. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group obtained control over subsidiaries in stages, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

(f) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Description
JPC Connectivity Inc.	BEST LINK PROPERTIES LTD.	A holding company for overseas reinvestment	100	100	
JPC Connectivity Inc.	CHA SHIN CHI INVESTMENT CO., LTD.	An investment company	100	100	
JPC Connectivity Inc.	MAINSUPER ENTERPRISES CO., LTD.	Sales of integrated circuit sockets and computer connectors	100	100	
JPC Connectivity Inc.	TECHILL CO., LTD.	Distribution and trade of communication and network apparatus	51	51	
JPC Connectivity Inc.	Ultraspeed Electronics Co., Ltd.	Manufacture, sales and design of connector and cable assemblies and cables for consumer electronics	29.19	70.11	(2)
JPC Connectivity Inc.	ASTRON CONNECTIVITY CO., LTD.	Manufacture and design of computer connectors and cables for the consumer electronics	51	51	
JPC Connectivity Inc.	SWS GROUP COMPANY LIMITED	Sales in Thailand	49.87	49.87	(6)
JPC Connectivity Inc.	JPCPT INC.	Introduction of new products, trial production and sales in North America	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Description
JPC Connectivity Inc.	JPC CONNECTIVITY CO., LTD.	Manufacture and sales of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	100	100	
JPC Connectivity Inc.	JBL CONNECTIVITY COMPANY LIMITED	Wholesale and trade of electronic materials	49	49	(5)
JPC Connectivity Inc.	APEX CONNECTIVITY LTD	Manufacture and sales of connector and cable assemblies and cables for Datacenter/Networking/Telecom and liquid cooling coupler	51	49	(3)
CHA SHIN CHI INVESTMENT CO., LTD.	JPCCO CORP.	Sales in the United States	1.7	1.7	(1)
BEST LINK PROPERTIES LTD.	JPC (HK) COMPANY LTD.	Wholesale and trade of electronic materials	100	100	
BEST LINK PROPERTIES LTD.	BEST MATCH INVESTMENTS LIMITED	A holding company for overseas reinvestment	100	100	
BEST LINK PROPERTIES LTD.	BEST SKY LIMITED	A holding company for overseas reinvestment	100	100	
BEST LINK PROPERTIES LTD.	HUNG FU (SAMOA) INTERNATIONAL CO., LTD.	A holding company for overseas reinvestment	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Description
BEST LINK PROPERTIES LTD.	LUCKY STAR INVESTMENT CORP.	A holding company for overseas reinvestment	100	100	
BEST LINK PROPERTIES LTD.	JPCCO CORP.	Sales in the United States	98.3	98.3	(1)
SWS GROUP COMPANY LIMITED	BPPG SERVICE CO., LTD.	Sales in Thailand	60	60	(6)
JPC (HK) COMPANY LTD.	DONGGUAN CELESTA ELECTRONICS LIMITED COMPANY (Formerly CELESTA INTERNATIONAL ELECTRONICS (SHEN ZHEN) CO., LTD.)	Wholesale and trade of electronic materials	100	100	
BEST MATCH LIMITED	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sales of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	33	33	(1)
BEST SKY LIMITED	ASKA TECHNOLOGIES INC.	Manufacture and sales of connector and cable assemblies and cables for the cloud network and consumer electronics	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) December 31, 2025	Ownership (%) December 31, 2024	Description
LUCKY STAR INVESTMENT CORP.	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	Manufacture and sales of connector and cable assemblies and cables for the cloud network and consumer electronics	100	100	
HUNG FU (SAMOA) INTERNATIONAL CO., LTD.	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sales of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	67	67	(1)
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	GUANGZHOU JPC ELECTRONICS TECHNICAL LIMITED COMPANY	Manufacture and sales of connector and cable assemblies for automotive electronics	-	100	(4)
JPCCO CORP.	PEC MANUFACTURING VIETNAM COMPANY LIMITED	Manufacture and sales of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	100	100	

Information on subsidiaries included in the consolidated financial statements and movements during the year:

(1)The Group's consolidated ownership in the investee was 100%.

(2)In December 2025, Ultraspeed Electronics Co., Ltd. increased its capital by issuing new shares. The Company totally held 29.19% equity interest in Ultraspeed Electronics Co., Ltd. and lost its control over Ultraspeed Electronics Co., Ltd. since the effective date for the capital increase. Refer to Notes 6(8) and (28) for details.

(3)In November 2025, the Group obtained 51% equity interest in APEX Connectivity LTD. in stages. Refer to Notes 6(8) and (27) for details.

(4)In July 2025, GUANGZHOU JPC ELECTRONICS TECHNICAL LIMITED COMPANY was dissolved and liquidated.

(5)In May 2024, the Company incorporated and held a 49% equity interest in JBL CONNECTIVITY COMPANY LIMITED, and was included in the consolidation as the Company held more than half of the seats in the board of directors.

(6)The Company held a 49.87% equity interest in SWS GROUP COMPANY LIMITED (SWS) and a 60% equity interest in its subsidiary. As the Company held more than half of board seats in SWS's Board of Directors, SWS had been included in the consolidated financial statements.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions on fund remittance from subsidiaries to the parent company: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the consolidated entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange

rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(c) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities arising primarily from trading activities;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

A. Financial assets at fair value through profit or loss is financial assets not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss is recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

The Group considers all financial assets measured at amortized cost at each balance sheet date. Based on reasonable and substantiated information (including forward-looking information), the credit risk has not changed since the original recognition. If there is a significant increase, the provision loss will be measured based on the 12-month expected credit loss amount; If the credit risk has increased significantly since then, the allowance loss shall be measured based on the expected credit loss amount during the duration; Accounts receivable that do not contain significant financial components are calculated based on the amount of expected credit losses during the duration measure allowance for losses.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor)－lease receivables / operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(15) Investments accounted for using the equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership interest.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

F. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(16) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	10~50 years
Machinery and equipment	2~15 years
Other equipment	3~11 years

(17) Leasing arrangements (lessee)－right-of-use assets / lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 14 to 50 years.

(19) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful

life of 2 to 9 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

C. Other intangible assets, mainly customer relationships and patents, are stated at cost and amortised on a straight-line basis over its estimated useful life of 8 to 10 years.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(21) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(22) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group' s common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable or and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(23) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(25) Provisions

Warranty provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(26) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For the defined contribution plan, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in this type of corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(27) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(28) Share capital

A. Ordinary shares are classified as equity. The incremental costs directly attributable to the issuance of new shares or share options are recorded as a reduction in equity, net of income tax.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(30) Revenue recognition

A. The Group manufactures and sells electronic components. Revenue is measured at the fair value of the consideration received or receivable taking into account of business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied. The sales usually are made with a credit term of 30 ~ 210 days, which is consistent with market practice. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

B. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(31) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(32) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

C. Contingent consideration included in the consideration of acquisition is recognised at fair value at the acquisition date. If the changes in fair value of contingent consideration after the acquisition date belong to adjustments during the measurement period, the acquisition cost shall be retrospectively adjusted and goodwill shall be adjusted accordingly. Adjustments during the measurement period pertains to the adjustments made upon the additional information, which in relation to the facts and circumstances that existing on the acquisition date, acquired by the Group after the acquisition date. The measurement period shall not exceed one year from the acquisition date. If the changes in fair value of contingent consideration after the acquisition date do not belong to adjustments during the measurement period, the changes in fair value shall recognise in profit or loss.

(33) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the balance sheet date. The resulting accounting estimates might differ from the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

Information on the carrying amount of inventories as of December 31, 2025 is provided in Note 6(6).

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand	$ 2,810	$ 2,578
Checking accounts and demand deposits	1,964,959	1,268,970
Time deposits	103,788	332,268
	$ 2,071,557	$ 1,603,816

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has not pledged cash or cash equivalents.

(2) Financial assets and liabilities at fair value through profit or loss

Items	December 31, 2025	December 31, 2024
Current items		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 66,432	$ 88,930
Beneficiary certificates	61,370	43,212
Call options of the convertible bonds issued	700	2,300
Emerging stocks	-	919
Derivative instruments	-	8,630
Corporate bonds	-	12,462
Valuation adjustment	3,141	6,801
	$ 131,643	$ 163,254
Non-current items:		
Private equity fund investment	$ 128,836	$ -
Limited partnership	31,485	30,697
	$ 160,321	$ 30,697
Current items		
Financial liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	$ 261	$ -

A. The nature of financial assets and liabilities at fair value through profit or loss is as follows:

(a) Derivative instruments: Including forward foreign exchange contracts and foreign exchange swap contracts.

(b) Limited partnerships: The Group made capital contributions to a limited partnership during the duration specified in the limited partnership agreement. Upon the expiration of the agreement, the net assets of the limited partnership will be allocated to investors in proportion to their capital contributions and the limited partnership will be dissolved and liquidated. Based on the Group's assessment, the net assets of the limited partnership approximated to its fair value.

(c) Call options of the convertible bonds issued: It refers to the call options embedded in the convertible bonds issued by the Group. Please refer to Note 6(14) for details.

B. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

Items	Years ended December 31 2025	2024
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 13,121	$ 46,000
Derivative instruments	(23,381)	22,120
Beneficiary certificates	3,793	3,139
Private equity fund investment	11,276	-
Limited partnership	1,064	1,355
Corporate bonds	(492)	66
Call options of the convertible bonds issued	(1,600)	(800)
	$ 3,781	$ 71,880

For the years ended December 31, 2025 and 2024, the Group recognised dividend income from the abovementioned equity instruments amounting to $2,178 and $3,294, respectively (shown as other income).

C. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed below:

Derivative financial instruments	December 31, 2025 Contract amount (notional principal)(in thousands)		Contract period
Current items:			
Forward foreign exchange contracts	TWD (BUY)	9,168	2025.10.21~
	USD (SELL)	300	2026.01.05

Derivative financial instruments	December 31, 2024 Contract amount (notional principal)(in thousands)		Contract period
Current items:			
Forward foreign exchange contracts	USD (SELL)	5,000	2024.11.14~
	CNY (BUY)	36,156	2025.04.07
Foreign exchange swap contracts	USD (BUY)	8,000	2024.05.16~
	TWD (SELL)	251,647	2025.07.07

The Group entered into forward foreign exchange contracts and foreign exchange swap contracts to hedge exchange rate risk of import and export proceeds, and foreign currency. However, these forward foreign exchange contracts and foreign exchange swap contracts are not accounted for under hedge accounting.

(3) Financial assets at fair value through other comprehensive income

Items	December 31, 2025	December 31, 2024
Current items:		
Listed stocks	$ 292,705	$ 311,784
Emerging stocks	1,732	-
Valuation adjustment	267,401	1,970
	$ 561,838	$ 313,754
Non-current items:		
Listed stocks	$ 47,009	$ -
Emerging stocks	5,400	47,009
Unlisted stocks	212,571	212,571
Valuation adjustment	145,685	120,473
	$ 410,665	$ 380,053

A. The Group has elected to classify investments that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income.

B. Aiming to satisfy the capital needs, the Group sold $282,754 and $122,678 of financial assets during the years ended December 31, 2025 and 2024, respectively.

C. Amounts recognised in other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31	
	2025	2024
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 412,257	$ 204,642
Cumulative gains reclassified to retained earnings due to derecognition	$ 121,614	$ 62,316
Dividend income recognised in profit or loss (shown as other income)	$ 24,525	$ 18,757

(4) Financial assets at amortised cost

Items	December 31, 2025	December 31, 2024
Current items:		
Time deposits with maturity over three months	$ 370,000	$ 1,030,256
Other financial assets - current	2,188	2,076
	$ 372,188	$ 1,032,332

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are provided in Note 14(2).

B. Information relating to credit risk of financial assets at amortized cost is provided in Note 8.

C. The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(5) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ 4,079	$ 8,798
Accounts receivable	2,111,353	1,652,010
Less: Allowance for uncollectible accounts	(35,949)	(49,171)
	$ 2,079,483	$ 1,611,637

A. As of December 31, 2025 and 2024, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2024, the balance of receivables from contracts with customers amounted to $1,423,512.

B. The Group does not hold any collateral.

C. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(6) Inventories

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 342,316	($ 37,457)	$ 304,859
Work in progress	107,231	-	107,231
Finished goods	332,231	(18,821)	313,410
Merchandise inventory	119,077	(27,823)	91,254
	$ 900,855	($ 84,101)	$ 816,754

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 229,643	($ 39,238)	$ 190,405
Work in progress	87,656	-	87,656
Finished goods	278,392	(9,789)	268,603
Merchandise inventory	109,884	(18,586)	91,298
	$ 705,575	($ 67,613)	$ 637,962

The cost of inventories recognised as expense for the year:

	Years ended December 31	
	2025	2024
Cost of goods sold	$ 4,943,943	$ 4,450,951
Valuation loss on inventories	39,357	74,424
Gain from sale of scraps	(5,866)	(6,341)
Others	(829)	3,704
	$ 4,976,605	$ 4,522,738

(7) Prepayments

	December 31, 2025	December 31, 2024
Excess business tax paid (or Net Input VAT)	$ 64,812	$ 42,910
Prepayments to suppliers	17,213	10,664
Prepaid rent expenses	987	2,096
Prepaid software expenses	863	1,000
Others	32,749	30,634
	$ 116,624	$ 87,304

(8) Investments accounted for using equity method

	December 31, 2025	December 31, 2024
JUN CHEN GLOBAL CO., LTD.	$ 85,077	$ 91,309
Ultraspeed Electronics Co., Ltd.	14,602	-
JS CONNECTIVITY CO., LTD.	4,724	5,352
APEX CONNECTIVITY LTD.	-	12,665
BRIGHTON NET COMPANY LTD.	-	7,422
	$ 104,403	$ 116,748

A. The Group's share of the operating results in all individually immaterial associates are summarised below:
As of December 31, 2025 and 2024, the carrying amount of the Group's individually immaterial associates amounted to $104,403 and $116,748, respectively.

	Years ended December 31	
	2025	2024
Loss for the year from continuing operations	($ 1,793)	($ 624)
Other comprehensive (loss) income, net of tax	(5,607)	142
Total comprehensive loss for the year	($ 7,400)	($ 482)

B. In December 2025, Ultraspeed Electronics Co., Ltd increased its capital by issuing new shares. The Company totally held a 29.19% equity interest in Ultraspeed Electronics Co., Ltd since the effective date for the capital increase. As the Company does not acquire over 50% of the seats in the Board of Directors of Ultraspeed Electronics Co., Ltd. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control over the entity. Accordingly, the Company remeasures any investment retained in the former subsidiary at its fair value of $15,038. That fair value is regarded as the cost on initial recognition of the associate. Any difference between fair value and carrying amount is recognised in gain on disposal of subsidiaries amounting to $996 (shown as 'Other gains and losses').

C. In November 2025, the Group obtained 51% equity interest in APEX CONNECTIVITY LTD in stages. Refer to Note 6(27) for details.

D. In September 2025, the Group disposed its equity interest in BRIGHTON NET COMPANY LTD. for cash of JPY 14.4 million (approximately $2,981), and the loss on disposal amounted to $10,874 (shown as 'Other gains and losses').

E. In June 2024, the Group invested in JUN CHEN GLOBAL CO., LTD. in cash amounting to $91,000, and acquired 40% equity interest in JUN CHEN GLOBAL CO., LTD. As the Group held less than half of the seats in the Board of Directors of JUN CHEN GLOBAL CO., LTD., and had no ability to direct the relevant activities of JUN CHEN GLOBAL CO., LTD., the Group has no control, but only has significant influence, over the investee since the effective date of the capital increase.

F. In May 2024, the Group established JS CONNECTIVITY CO., LTD. in cash amounting to $5,268, and acquired 49% equity interest in JS CONNECTIVITY CO., LTD. As the Group held less than half of the seats in the Board of Directors of JS CONNECTIVITY CO., LTD., and had no ability to direct the relevant activities of JS CONNECTIVITY CO., LTD., the Group has no control, but only has significant influence, over the investee since the effective date of the establishment.

(9) Property, plant and equipment

	2025					
	Land	Buildings and structures	Machinery and equipment	Other equipment	Unfinished construction and equipment under acceptance	Total
At January 1						
Cost	$ 508,305	$ 256,842	$ 269,058	$ 144,601	$ 8,535	$1,187,341
Accumulated depreciation	-	(48,259)	(115,393)	(69,493)	-	(233,145)
	$ 508,305	$ 208,583	$ 153,665	$ 75,108	$ 8,535	$ 954,196
Opening net book amount as at January 1	$ 508,305	$ 208,583	$ 153,665	$ 75,108	$ 8,535	$ 954,196
Additions	-	34,198	74,173	26,394	20,740	155,505
Acquired from business combinations	-	-	8,770	-	-	8,770
Disposals	-	-	(23,563)	(29)	(88)	(23,680)
Disposals of subsidiary	-	-	(2,553)	(67)	-	(2,620)
Reclassifications	(72,065)	(1,461)	34,285	315	(20,717)	(59,643)
Depreciation charge	-	(8,440)	(59,913)	(19,262)	-	(87,615)
Net exchange differences	(951)	(4,524)	(419)	(7,162)	(3,093)	(16,149)
Closing net book amount as at December 31	$ 435,289	$ 228,356	$ 184,445	$ 75,297	$ 5,377	$ 928,764
At December 31						
Cost	$ 435,289	$ 287,191	$ 320,823	$ 153,344	$ 5,377	$1,202,024
Accumulated depreciation	-	(58,835)	(136,378)	(78,047)	-	(273,260)
	$ 435,289	$ 228,356	$ 184,445	$ 75,297	$ 5,377	$ 928,764

	2024					
	Land	Buildings and structures	Machinery and equipment	Other equipment	Unfinished construction and equipment under acceptance	Total
At January 1						
Cost	$ 204,052	$ 116,058	$ 285,358	$ 157,009	$ 2,364	$ 764,841
Accumulated depreciation	-	(43,557)	(172,600)	(91,291)	-	(307,448)
	$ 204,052	$ 72,501	$ 112,758	$ 65,718	$ 2,364	$ 457,393
Opening net book amount as at January 1	$ 204,052	$ 72,501	$ 112,758	$ 65,718	$ 2,364	$ 457,393
Additions	385,635	27,725	91,415	26,624	25,339	556,738
Disposals	(98,028)	(10,254)	(11,304)	(2,034)	(5,802)	(127,422)
Reclassifications	16,170	125,781	4,166	-	(13,480)	132,637
Depreciation charge	-	(8,964)	(46,653)	(16,571)	-	(72,188)
Net exchange differences	476	1,794	3,283	1,371	114	7,038
Closing net book amount as at December 31	$ 508,305	$ 208,583	$ 153,665	$ 75,108	$ 8,535	$ 954,196
At December 31						
Cost	$ 508,305	$ 256,842	$ 269,058	$ 144,601	$ 8,535	$ 1,187,341
Accumulated depreciation	-	(48,259)	(115,393)	(69,493)	-	(233,145)
	$ 508,305	$ 208,583	$ 153,665	$ 75,108	$ 8,535	$ 954,196

A. For the years ended December 31, 2025 and 2024, information on reclassification of land, buildings and equipment is provided in Note 6(11).

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(10) Leasing arrangements－lessee

A. The Group leases various assets including land use right, buildings, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 5 years, except for the leasing period of land use right which was 34 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings and business vehicles. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2025	December 31, 2024
	Carrying amount	Carrying amount
Buildings	$ 132,652	$ 88,755
Transportation equipment (Business vehicles)	5,042	9,441
Land use rights	10,116	11,228
Office equipment	347	469
Other equipment	3,649	15
	$ 151,806	$ 109,908

	Years ended December 31	
	2025	2024
	Depreciation charge	Depreciation charge
Buildings	$ 47,794	$ 46,739
Transportation equipment (Business vehicles)	4,381	4,181
Land use rights	317	282
Office equipment	122	135
Other equipment	1,234	87
	$ 53,848	$ 51,424

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were $105,241 and $48,134, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Years ended December 31	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 4,564	$ 3,324
Expense on short-term lease contracts	2,409	1,786
Expense on leases of low-value assets	1,506	1,570

F. For the years ended December 31, 2025 and 2024, the Group's total cash outflow for leases were $57,948 and $52,067, respectively.

(11) Investment property

	2025		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 10,335	$ 11,196	$ 21,531
Accumulated depreciation	-	(2,080)	(2,080)
	$ 10,335	$ 9,116	$ 19,451
Opening net book amount as at January 1	$ 10,335	$ 9,116	$ 19,451
Reclassifications	72,065	1,461	73,526
Depreciation charge	-	(314)	(314)
Closing net book amount as at December 31	$ 82,400	$ 10,263	$ 92,663
At December 31			
Cost	$ 82,400	$ 12,704	$ 95,104
Accumulated depreciation	-	(2,441)	(2,441)
	$ 82,400	$ 10,263	$ 92,663

	2024		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 26,505	$ 18,871	$ 45,376
Accumulated depreciation	-	(5,712)	(5,712)
	$ 26,505	$ 13,159	$ 39,664
Opening net book amount as at January 1	$ 26,505	$ 13,159	$ 39,664
Reclassifications	(16,170)	(3,745)	(19,915)
Depreciation charge	-	(298)	(298)
Closing net book amount as at December 31	$ 10,335	$ 9,116	$ 19,451
At December 31			
Cost	$ 10,335	$ 11,196	$ 21,531
Accumulated depreciation	-	(2,080)	(2,080)
	$ 10,335	$ 9,116	$ 19,451

A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2025	December 31, 2024
2025	$ -	$ 708
2026	335	118
	$ 335	$ 826

C. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Years ended December 31	
	2025	2024
Rental income from investment property	$ 1,060	$ 1,414
Direct operating expenses arising from the investment property that generated rental income during the year	$ 314	$ 298

D. The fair value of the investment property held by the Group as at December 31, 2025 and 2024 were $112,177and $25,245, respectively, which was valued based on the market information of transactions that are similar to the above assets, and appropriate adjustments are made on the valuation results. Valuations were made using the comparison approach which is categorized within Level 3 in the fair value hierarchy.

E. For the years ended December 31, 2025 and 2024, due to changes in use between owner-occupied properties and properties held under operating leases, the Company transferred land of $72,065 and $0, and buildings and structures of $1,461 and $0, respectively, to investment property.

(12) Intangible assets

	2025				
	Goodwill	Customer relationship value	Patent	Software	Total
At January 1					
Cost	$ 363,785	$ 503,524	$ 160,218	$ 84,468	$1,111,995
Accumulated amortisation	-	(260,000)	(149,754)	(74,633)	(484,387)
Accumulated impairment	(38,695)	(49,545)	-	-	(88,240)
Effect of exchange rate changes	(3,980)	(4,852)	(9,487)	325	(17,994)
	$ 321,110	$ 189,127	$ 977	$ 10,160	$ 521,374
Opening net book amount as at January 1	$ 321,110	$ 189,127	$ 977	$ 10,160	$ 521,374
Additions	-	-	-	7,612	7,612
Acquired from business combination	297	-	-	-	297
Disposals of subsidiary	(7,098)	-	(497)	-	(7,595)
Reclassifications	-	-	-	438	438
Amortisation charge	-	(23,789)	(480)	(5,797)	(30,066)
Net exchange differences	-	(247)	-	(1,105)	(1,352)
Closing net book amount as at December 31	$ 314,309	$ 165,091	$ -	$ 11,308	$ 490,708
At December 31					
Cost	$ 356,984	$ 503,524	$ 157,777	$ 92,518	$1,110,803
Accumulated amortisation	-	(283,789)	(148,290)	(80,430)	(512,509)
Accumulated impairment	(38,695)	(49,545)	-	-	(88,240)
Effect of exchange rate changes	(3,980)	(5,099)	(9,487)	(780)	(19,346)
	$ 314,309	$ 165,091	$ -	$ 11,308	$ 490,708

	2024				
	Goodwill	Customer relationship value	Patent	Software	Total
At January 1					
Cost	$ 363,785	$ 503,524	$ 160,218	$ 74,945	$ 1,102,472
Accumulated amortisation	-	(237,103)	(149,266)	(68,067)	(454,436)
Accumulated impairment	(38,695)	(49,545)	-	-	(88,240)
Effect of exchange rate changes	(3,980)	(5,907)	(9,487)	286	(19,088)
	$ 321,110	$ 210,969	$ 1,465	$ 7,164	$ 540,708
Opening net book amount as at January 1	$ 321,110	$ 210,969	$ 1,465	$ 7,164	$ 540,708
Additions	-	-	-	9,523	9,523
Amortisation charge	-	(22,897)	(488)	(6,566)	(29,951)
Net exchange differences	-	1,055	-	39	1,094
Closing net book amount as at December 31	$ 321,110	$ 189,127	$ 977	$ 10,160	$ 521,374
At December 31					
Cost	$ 363,785	$ 503,524	$ 160,218	$ 84,468	$ 1,111,995
Accumulated amortisation	-	(260,000)	(149,754)	(74,633)	(484,387)
Accumulated impairment	(38,695)	(49,545)	-	-	(88,240)
Effect of exchange rate changes	(3,980)	(4,852)	(9,487)	325	(17,994)
	$ 321,110	$ 189,127	$ 977	$ 10,160	$ 521,374

A. Details of amortization on intangible assets are as follows:

	Years ended December 31	
	2025	2024
Operating costs	$ 341	$ 219
Selling expenses	258	285
Administrative expenses	25,906	24,897
Research and development expenses	3,561	4,550
	$ 30,066	$ 29,951

B. Goodwill is allocated to the electronic product components manufacturing segment and other segments which is the Group's cash-generating units identified according to operating segment. Refer to Note 14 for disclosure of operating segment information.

C. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by the management covering a five-year period.

The cash flow of the financial forecast is based on the estimated changes in future annual revenue, gross profit, operating expenses and capital expenditure needs, etc. in the future. The weighted average growth rates used based on past historical experience and expectations of industry. For the years ended December 31, 2025 and 2024, the Group's estimated average annual revenue growth rate was 3%~5% and 3%~7%, respectively, and adopted discount rate was pre-tax ratio of weighted average capital cost and reflected specified risks of the related cash-generating units. For the years ended December 31, 2025 and 2024, the Group's pre-tax discount rate used for the valuation was 8.23%~17.29% and 7.03%~11.89%, respectively. For the years ended December 31, 2025 and 2024, the recoverable amount of all cash-generating units calculated using the

value-in-use exceeded their carrying amount, so goodwill was not impaired.

(13) Other non-current assets

	December 31, 2025	December 31, 2024
Current net defined benefit asset	$ 25,825	$ 23,186
Guarantee deposits paid	22,399	22,567
Prepayments for business facilities	12,222	16,327
Others	764	976
	$ 61,210	$ 63,056

(14) Bonds payable

	December 31, 2025	December 31, 2024
Bonds payable	$ 1,000,000	$ 1,000,000
Less: Discount on bonds payable	(39,510)	(61,250)
	$ 960,490	$ 938,750

The terms of the third domestic unsecured convertible bonds issued by the Company are as follows:

(a) The Company issued $1,000,000, 0% third domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (October 15, 2024 ~ October 15, 2027) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on October 15, 2024.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after 3 months (January 16, 2025) of the bonds issue to the maturity date (October 15, 2027), except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms. The conversion price of NT$152 per share was adjusted by the Company on July 16, 2025, based on the conversion rules.

(d) The Company may repurchase all the bonds outstanding in cash at the bonds' face value in accordance with the terms of bonds after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by at least 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue (January 16, 2025) to 40 days before the maturity date (September 5, 2027), or (ii) the outstanding balance of the bonds is less than 10% of total face value during the period from the date after three months of the bonds issue (January 16, 2025) to 40 days before the maturity date (September 5, 2027).

(e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Traded Over the Counter), matured and converted will be retired and cannot be resold or re-issued. The conversion rights attached to the bonds are also extinguished.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $237,781 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount of $3,100 in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation ranged was 2.2916%.

(15) Other payables

	December 31, 2025	December 31, 2024
Employees' bonus payable	$ 204,497	$ 155,104
Wages and salaries payable	111,394	101,188
Payables on equipment	16,811	28,485
Service expense payable	7,361	22,183
Current contingent liabilities (Note)	-	99,474
Others	66,382	85,358
	$ 406,445	$ 491,792

Note: On July 1, 2023, the Group acquired a 100% equity interest in JPCPT INC. (formerly SACO ENTERPRISES, INC.) with the total price of USD 15.5 million, including the amount of USD 6.2 million, which was contingent consideration upon the achievement of a certain rate for the operating performance within a specific period.

(16) Pensions

A. Defined benefit plan

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations	$ 4,194	$ 5,359
Fair value of plan assets	(30,019)	(28,545)
Net defined benefit assets (shown as other non-current assets)	($ 25,825)	($ 23,186)

(c) Movements in net defined benefit liabilities are as follows:

	2025		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (asset) liability
At January 1	$ 5,359	$ 28,545	($ 23,186)
Current service cost	127	-	127
Interest expense (income)	86	457	(371)
	5,572	29,002	(23,430)
Remeasurements:			
Return on plan assets (Note)	-	1,968	(1,968)
Change in financial assumptions	66	-	66
Experience adjustments	(493)	-	(493)
	(427)	1,968	(2,395)
Paid pension	(951)	(951)	-
At December 31	$ 4,194	$ 30,019	($ 25,825)

Note: Excluding amounts included in interest income or expense.

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (asset) liability
At January 1	$ 5,050	$ 25,941	($ 20,891)
Current service cost	15	-	15
Interest expense (income)	61	311	(250)
	5,126	26,252	(21,126)
Remeasurements:			
Return on plan assets (Note)	-	2,293	(2,293)
Change in financial assumptions	(179)	-	(179)
Experience adjustments	412	-	412
	233	2,293	(2,060)
At December 31	$ 5,359	$ 28,545	($ 23,186)

Note: Excluding amounts included in interest income or expense.

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local

banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2025 and 2024 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31	
	2025	2024
Discount rate	1.40%	1.60%
Future salary increases	3.00%	3.00%

Assumptions regarding future mortality experience are set based on the statistics and experience of the 6th Taiwan Standard Ordinary Experience Mortality Table.

(f) Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
December 31, 2025				
Effect on present value of defined benefit obligation	($ 83)	$ 86	$ 74	($ 72)
December 31, 2024				
Effect on present value of defined benefit obligation	($ 107)	$ 111	$ 96	($ 93)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(g) Expected contributions to the defined benefit pension plan of the Group for the year ending December 31, 2026 amount to $0.

(h) As of December 31, 2025, the weighted average duration of the retirement plan is 9 years.

B. Defined contribution plan

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's subsidiaries in Mainland China, USA, Vietnam and Thailand have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the local pension regulations are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group

has no further obligations.

(c) The pension costs under the defined contribution pension plan of the Group for the years ended December 31, 2025 and 2024 were $38,821 and $33,627, respectively.

(17) Share capital

As of December 31, 2025, the Company's authorised capital was $2,000,000, consisting of 200 million shares of ordinary stock, and the paid-in capital was $1,220,859 with a par value of NT$10 (in dollars) per share. All proceeds from shares issued have been collected.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2025	2024
At January 1	$ 437,097	$ 272,568
Stock options at issuance of the bonds	-	237,781
Capital surplus used to issue cash to shareholders	-	(73,252)
At December 31	$ 437,097	$ 437,097

(19) Retained earnings

A. The current year's net profit after tax, if any, shall first be used to offset prior years' operating losses (including adjusted undistributed profits) and then 10% of the remaining amount shall be set aside as legal reserve, if legal reserve has accumulated to an amount equal to the paid-in capital, then legal reserve is not required to be set aside any more. After that, special reserve shall be set aside or reversed in accordance with the related laws or the regulations made by the Competent Authority. The remainder, if any, along with the unappropriated earnings of prior years (including adjusted undistributed profits) shall be proposed by the Board of Directors and resolved by the shareholders as dividends to shareholders.

B. In accordance with the Company Act, the resolution, for all or part of distributable dividends and bonus, capital surplus or legal reserve which are distributed in the form of cash, will be adopted if more than 2/3 of the directors attend the Board of Directors' meeting and more than 1/2 of the directors present agree to the resolution. This will then be reported to the shareholders during their meeting. The regulation which requires approval by the shareholders is not applicable for the above.

C. The Company may distribute earnings or cover accumulated deficit on a semi-annual basis after the close of each half fiscal year in compliance with the Company Act. The Company shall pay all taxes, offset operating losses and set aside legal reserve before distributing earnings. However, if legal reserve has accumulated to an amount equal to the paid-in capital, then legal reserve is not required to be set aside any more. The distribution of earnings shall be resolved by the Board of Directors if earnings are distributed in the form of cash and shall be resolved by the shareholders if earnings are distributed in the form of new shares.

D. The Company's dividend policy aligns with the overall environment and industrial growth characteristics by taking into consideration the Company's capital needs, financial structure and earnings. Since the Company aims to continuously add capital for investment, research and development to create a competitive advantage and enhance shareholders' interest, at least 50% of the current year's earnings after tax shall be appropriated as shareholders' dividends and bonuses in the form of cash or shares each year and cash dividends shall account for at least 30%

of the total dividends distributed.

E. In accordance with the regulations, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve has accumulated to an amount equal to the paid-in capital. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

F. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

G. The appropriations of 2024 and 2023 earnings as resolved by the shareholders on May 27, 2025 and June 13, 2024, respectively, are as follows:

	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 111,354		$ 65,754	
Reversal of special reserve	(222,533)		(23,299)	
Cash dividends	854,601	$ 7.00	439,509	$ 3.60
	$ 743,422		$ 481,964	

The abovementioned appropriations of 2024 and 2023 earnings were in agreement with those amounts resolved by the Board of Directors on February 25, 2025 and March 6, 2024, respectively. In addition, the Company distributed cash from capital surplus in the amounts of $0, and $73,252 at $0.6 (in dollars) per share as resolved by the shareholders on May 27, 2025 and June 13, 2024, respectively.

H. On March 6, 2026, the Board of Directors proposed for the distribution of dividends from the 2025 earnings in the amount of $854,601 at $7.0 (in dollars) per share. The abovementioned surplus earnings distribution proposal and the capital reserve issuance of cash have not yet been approved by the shareholders as of the date of the audit report.

I. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(24).

(20) Other equity items

	2025		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	$ 122,443	($ 133,576)	($ 11,133)
Revaluation - gross	412,257	-	412,257
Revaluation transferred to retained earnings - gross	(121,614)	-	(121,614)
Currency translation differences:			
- Group	-	(2,461)	(2,461)
- Associates	-	(5,607)	(5,607)
At December 31	$ 413,086	($ 141,644)	$ 271,442

	2024		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	($ 19,883)	($ 213,784)	($ 233,667)
Revaluation - gross	204,642	-	204,642
Revaluation transferred to retained earnings - gross	(62,316)	-	(62,316)
Currency translation differences:			
- Group	-	80,066	80,066
- Associates	-	142	142
At December 31	$ 122,443	($ 133,576)	($ 11,133)

(21) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following geographical regions:

	Years ended December 31	
Revenue from external customer contracts	2025	2024
US	$ 2,294,673	$ 2,008,102
Taiwan	1,587,175	1,101,403
China	1,471,650	1,427,143
Thailand	646,996	464,306
Japan	454,124	783,555
Others	1,124,423	980,569
	$ 7,579,041	$ 6,765,078

B. Information on products

	Years ended December 31	
	2025	2024
Datacenter/Networking/Telecom	$ 4,394,354	$ 3,639,240
Smart Connection Industry	2,802,922	2,694,035
Internet of Things	108,779	100,372
Others	272,986	331,431
	$ 7,579,041	$ 6,765,078

C. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	$ 35,107	$ 34,124	$ 24,081

The amount of revenue recognised that was included in the beginning contract liability balance for the years ended December 31, 2025 and 2024 were $20,242 and $22,055, respectively.

(22) Other gains and losses

	Years ended December 31	
	2025	2024
Net foreign exchange (losses) gains	($ 117,166)	$ 40,983
Losses on disposals of investments	(10,577)	-
Net gains on financial assets and liabilities at fair value through profit or loss	3,781	71,880
Gains on disposals of subsidiary	996	-
Gains on disposals of property, plant and equipment	668	58,363
Others	(5,159)	(1,190)
	($ 127,457)	$ 170,036

(23) Expenses by nature

	Years ended December 31	
	2025	2024
Employee benefit expense	$ 991,967	$ 951,967
Depreciation (Note)	141,777	123,910
Amortisation charges on other assets	30,066	29,951
	$ 1,163,810	$ 1,105,828

Note: Including current depreciation charges on properties, right-of-use assets and investment properties.

(24) Employee benefit expense

	Years ended December 31	
	2025	2024
Wages and salaries	$ 849,901	$ 825,104
Labour and health insurance fees	54,192	50,084
Pension costs	38,577	33,392
Other personnel expenses	49,297	43,387
	$ 991,967	$ 951,967

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees' compensation and directors' remuneration as resolved by the Board of Directors. The ratio shall not be lower than 7% for employees' compensation. However, if the Company has accumulated deficit, earnings should first be reserved to cover losses.

B. For the years ended December 31, 2025 and 2024, employees' compensation were accrued at $141,507and $138,914, respectively; while directors' remuneration were accrued at $7,920 and $5,400, respectively. The aforementioned amounts were recognised in salary expenses.

For the years ended December 31, 2025 and 2024, employees' compensation were estimated and accrued based on 10% of distributable profit of current year; directors' remuneration was determined based on the extent of their participation in the Company's operations and the value of their contribution.

Employees' compensation and directors' remuneration for 2024 as resolved at the meeting of Board of Directors were in agreement with those amounts recognised in the 2024 financial statements. Employees' compensation and directors' remuneration for 2024 were all distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(25) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31	
	2025	2024
Current tax:		
Current tax on profits for the year	$ 321,472	$ 264,411
Tax on undistributed surplus earnings	12,125	3,023
Prior year income tax under estimation	6,015	2,874
Total current tax	339,612	270,308
Deferred tax:		
Origination and reversal of temporary differences	(34,119)	389
Total deferred tax	(34,119)	389
Income tax expense	$ 305,493	$ 270,697

(b) The income tax charge relating to components of other comprehensive income is as follows:

	Years ended December 31	
	2025	2024
Remeasurement of defined benefit obligations	$ 479	$ 412

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31	
	2025	2024
Tax calculated based on profit before tax and statutory tax rate	$ 365,214	$ 365,657
Expenses disallowed by tax regulation	(73,143)	(89,448)
Tax-exempt income	(4,718)	(11,409)
Prior year income tax underestimation	6,015	2,874
Tax on undistributed earnings	12,125	3,023
Income tax expense	305,493	270,697
Net changes in deferred tax	34,119	(389)
Prior year income tax underestimation	(6,015)	(2,874)
Less: Prepaid income tax	(170,306)	(118,593)
Current income tax liabilities	$ 163,291	$ 148,841

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2025				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Disposal of subsidiaries	December 31
- Deferred tax assets:					
Temporary differences					
Valuation loss on inventories	$ 5,114	$ 3,310	$ -	$ -	$ 8,424
Unrealised exchange loss	-	6,998	-	-	6,998
Others	10,918	(655)	-	(8)	10,255
	$ 16,032	$ 9,653	$ -	($ 8)	$ 25,677
- Deferred tax liabilities:					
Temporary differences					
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	$ -	($ 28,283)
Unrealised exchange gain	(18,066)	17,247	-	-	(819)
Others	(58,181)	7,219	(479)	106	(51,335)
	($ 104,530)	$ 24,466	($ 479)	$ 106	($ 80,437)
	($ 88,498)	$ 34,119	($ 479)	$ 98	($ 54,760)

	2024			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences				
Valuation loss on inventories	$ 8,605	($ 3,491)	$ -	$ 5,114
Unrealised exchange loss	403	(403)	-	-
Others	4,657	6,261	-	10,918
	$ 13,665	$ 2,367	$ -	$ 16,032
- Deferred tax liabilities:				
Temporary differences				
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	($ 28,283)
Unrealised exchange gain	(8,247)	(9,819)	-	(18,066)
Others	(64,832)	7,063	(412)	(58,181)
	($ 101,362)	($ 2,756)	($ 412)	($ 104,530)
	($ 87,697)	($ 389)	($ 412)	($ 88,498)

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2025 and 2024, the amounts of temporary differences unrecognised as deferred tax liabilities were $1,446,680 and $1,226,630, respectively.

E. The Group's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Year ended December 31, 2025		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,058,718	122,086	$ 8.67
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,058,718		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bond	17,392	6,402	
Employees' compensation	-	1,162	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,076,110	129,650	$ 8.30

	Year ended December 31, 2024		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,060,644	122,086	$ 8.69
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,060,644		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bond	3,572	1,318	
Employees' compensation	-	1,080	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,064,216	124,484	$ 8.55

(27) Business combinations

A. In October 2024, the Company invested in APEX CONNECTIVITY LTD. at a total price of $12,848, and held a 49% equity interest in APEX CONNECTIVITY LTD. In November 2025, the Company additionally invested in APEX CONNECTIVITY LTD. at a total price of $514, and additionally held a 2% equity interest in APEX CONNECTIVITY LTD. As the Company acquired a 51% equity interest in APEX CONNECTIVITY LTD. in stages, and obtained control over the entity in November 2025. The entity is primarily engaged in the production and sale of data network telecommunications and liquid cooling connectors.

B. The following table summarises the consideration paid for APEX CONNECTIVITY LTD. and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

	November 20, 2025
Purchase consideration	
Cash paid	$ 514
Fair value of equity interest in APEX CONNECTIVITY LTD. Company held before the business combination	12,868
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	12,571
	25,953
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	21,196
Accounts receivable	179
Other receivables	5
Prepayments	520
Property, plant and equipment	8,770
Other payables	(5,014)
Total identifiable net assets	25,656
Goodwill	$ 297

C. Prior to the business combination, the Group held a 49% interest in APEX CONNECTIVITY LTD. The interest was remeasured at fair value, and a gain of $297 was recognised (shown as 'Other gains and losses').

D. The operating revenue included in the consolidated statement of comprehensive income since November 20, 2025 contributed by APEX CONNECTIVITY LTD. was $0. APEX CONNECTIVITY LTD. also contributed profit before income tax of $482 over the same period. Had APEX CONNECTIVITY LTD. been consolidated from January 1, 2025, the consolidated statement of comprehensive income would show operating revenue of $7,579,319 and profit before income tax of $1,433,787.

(28) Supplemental cash flow information

A. Investing activities with partial cash payments

	Years ended December 31	
	2025	2024
Purchase of property, plant and equipment	$ 155,505	$ 556,738
Add: Opening balance of payable on equipment	28,485	12,273
Less: Ending balance of payable on equipment	(16,811)	(28,485)
Cash paid during the year	$ 167,179	$ 540,526

B. The fair value information on the assets acquired and liabilities assumed from business combinations:

	Year ended December 31, 2025	Year ended December 31, 2024
Fair value of identifiable net assets	$ 25,656	$ -
Goodwill	297	-
Less: Fair value of equity interest in APEX CONNECTIVITY LTD. held before the business combination	(12,868)	-
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	(12,571)	-
Purchase Consideration	514	-
Less: Cash acquired from business combinations	(21,196)	-
Net cash flow from business combinations	($ 20,682)	$ -

C. In December 2025, Ultraspeed Electronics Co., Ltd. increased its capital by issuing new shares. The Company totally held 29.19% equity interest in Ultraspeed Electronics Co., Ltd. and lost its control over Ultraspeed Electronics Co., Ltd. since the effective date for the capital increase. Refer to Notes 4(15) and 6(28) for details. The details of the assets and liabilities relating to the subsidiary are as follows:

	December 24, 2025
Carrying amount of the assets and liabilities of the subsidiary -Ultraspeed Electronics Co., Ltd.	
Cash	4,776
Accounts receivable, net	1,626
Other receivables	2,372
Inventories	2,618
Prepayments	365
Other current assets	44
Property, plant and equipment	2,620
Intangible assets- Patent	497
Right-of-use assets	3,580
Deferred income tax assets	8
Other non-current assets	2,180
Current contract liabilities	(4,615)
Accounts payable	(904)
Other payables	(1,408)
Other current liabilities	(47)
Deferred income tax liabilities	(106)
Non-current lease liabilities	(3,701)
Total identifiable net assets	$ 9,905
Shareholding Ratio at the Loss of Control	70.11%
Proportionate share of identifiable net assets	6,944
Goodwill	7,098
Total net assets	$ 14,042

For the Group's remeasurement of its remaining investment in the company. Refer to Note 6(8) for details.

(29) Changes in liabilities from financing activities

	2025		
	Lease liabilities	Bonds payable	Liabilities arising from financing activities - gross
At January 1	$ 99,731	$ 938,750	$ 1,038,481
Changes in cash flow from financing activities	(49,469)	-	(49,469)
Amortisation charges on bonds	-	21,740	21,740
Changes in other non-cash items	105,241	-	105,241
Disposal of subsidiaries	(3,701)	-	(3,701)
Impact of changes in foreign exchange rate	(6,855)	-	(6,855)
At December 31	$ 144,947	$ 960,490	$ 1,105,437

	2024			
	Short-term borrowings	Lease liabilities	Bonds payable	Liabilities arising from financing activities - gross
At January 1	$ 100,000	$ 106,543	$ -	$ 206,543
Changes in cash flow from financing activities	(100,000)	(45,387)	1,168,966	1,023,579
Stock options arising from bonds	-	-	(237,781)	(237,781)
Amortisation charges on bonds	-	-	4,465	4,465
Changes in other non-cash items	-	37,411	3,100	40,511
Impact of changes in foreign	-	1,164	-	1,164
At December 31	$ -	$ 99,731	$ 938,750	$ 1,038,481

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
JYH ENG TECHNOLOGY CO., LTD.	Associate
APEX CONNECTIVITY LTD.	Subsidiary (Note 4)
FSP TECHNOLOGY INC.	Others
Bin Fu Electronics (Shen Zhen) Co., Ltd.	Others (Note 1)
675 Sycamore LLC	Others (Note 2)
APEX PRECISION TECHNOLOGY CORP.	Others (Note 3)

Note 1: The chairman of Bin Fu Electronics (Shen Zhen) Co., Ltd. and the chairman of the Group's associate, JUN CHEN GLOBAL CO., LTD., is the same person.

Note 2: The chairman of 675 Sycamore LLC and the chairman of the Group is the same person.

Note 3: The chairman of APEX PRECISION TECHNOLOGY CORP. and the chairman of the Group's subsidiary, APEX CONNECTIVITY LTD., is the same person.

Note 4: Since November 2025, the Group's influence over APEX CONNECTIVITY LTD., has changed from significant influence to control. Refer to Note 6(28) for details.

(2) Significant related party transactions

A. Operating revenue:

	Years ended December 31	
	2025	2024
Sales of goods:		
Others	$ 8,985	$ 9,594

Except for circumstances in which there are no similar transactions for reference and the prices and credit periods are negotiated by both parties, the aforementioned related party is offered prices very close to those offered to other customers and given a credit period of 90 days.

B. Purchases:

	Years ended December 31	
	2025	2024
Purchases of goods:		
Others	$ 64,596	$ 49,432
Associates	69,937	43,266
	$ 134,533	$ 92,698

Goods are purchased from related parties and others with a payment term of 60 to 90 days at the end of the month. Purchase prices are determined based on product types after taking into consideration other transaction terms.

C. Receivables from related parties:

	December 31, 2025	December 31, 2024
Accounts receivable:		
Others	$ 4,431	$ 2,933

There are no allowances for uncollectible accounts held against receivables from related parties.

D. Payables to related parties:

	December 31, 2025	December 31, 2024
Accounts payable:		
Others	$ 23,481	$ 14,340
Associates	19,884	12,591
	$ 43,365	$ 26,931

E. Lease transactions－lessee

(a) The Group leases buildings from 675 Sycamore LLC. Rental contracts are typically made for periods from 2025 to 2029.

(b) Acquisition of right-of-use assets

	Years ended December 31	
	2025	2024
Others	$ 24,068	$ -

(c) Lease liabilities

i. Outstanding balance:

	December 31, 2025	December 31, 2024
Others	$ 18,884	$ -

ii. Interest expense

	Years ended December 31	
	2025	2024
Others	$ 1,255	$ -

(3) Key management compensation

	Years ended December 31	
	2025	2024
Salaries and other short-term employee benefits	$ 49,892	$ 43,583

8. Pledged Assets

The Group's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2025	December 31, 2024	Purpose
Property, plant and equipment -Land and buildings and structures	$ 140,867	$ 142,638	Line of guarantee for short-term borrowings
Guarantee deposits paid (shown as other non-current assets)	4,913	4,913	Customs bonds
Time deposits (shown as financial assets at amortised cost)	2,188	2,076	Line of guarantee for forward foreign exchange
	$ 147,968	$ 149,627	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

For the year ended December 31, 2025, the Company's Board of Directors approved the appropriation of 2025 earnings. Refer to Note 6(19).

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

During the years ended December 31, 2025 and 2024, the Group's strategy was to maintain the gearing ratio under 50%.

(2) Financial instruments

A. Financial instruments by category

The Group's financial instruments are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost (including cash and cash equivalents, financial assets at amortised cost, accounts receivable (including related parties), other receivables and certain other non-current assets), financial liabilities at fair value through profit or loss, financial liabilities at amortised cost (including accounts payable (including related parties) and other payables and bonds payable, lease liabilities, contingent consideration arising on a business combination in accordance with IFRS 9. Related information is provided in Note 6 and the consolidated balance sheets.

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, RMB and THB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2025		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 91,769	31.43	$ 2,884,300
USD:RMB	497	6.9832	15,621
Foreign operations			
RMB:NTD	$ 422,020	4.50	$ 1,899,088
USD:NTD	45,446	31.43	1,428,362
Financial liabilities			
Monetary items			
USD:NTD	$ 18,638	31.43	$ 585,792
USD:RMB	1,352	6.9832	42,493

	December 31, 2024		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 70,760	32.79	$ 2,320,220
USD:RMB	269	7.3206	8,821
Foreign operations			
RMB:NTD	$ 403,164	4.48	$ 1,806,173
USD:NTD	36,771	32.79	1,205,721
Financial liabilities			
Monetary items			
USD:NTD	$ 22,556	32.79	$ 739,611
USD:RMB	777	7.3206	25,478

	December 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 144,215	
USD:RMB	5%	781	
Foreign operations			
RMB:NTD	5%		$ 94,954
USD:NTD	5%		71,418
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 29,290	
USD:RMB	5%	2,125	

	December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 116,011	
USD:RMB	5%	441	
Foreign operations			
RMB:NTD	5%		$ 90,309
USD:NTD	5%		60,286
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 36,981	
USD:RMB	5%	1,274	

iii. The total exchange (loss) gain, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2025 and 2024, amounted to ($117,166) and $40,983, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares issued domestically and publicly. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 20% with all other variables held constant, post-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by $58,253 and $34,009, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity for the years ended December 31, 2025 and 2024 would have increased/decreased by $194,501and $138,761, respectively, as a result of other comprehensive income on equity investments classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

As short-term borrowings for short-term working capital needs are mostly issued at variable rates, most of the risks could be offset by cash with variable interest rates.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only banks with good credit and financial institutions with investment grade or above are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; the default occurs when the contract payments are past due over 360 days.

iv. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2025		December 31, 2024	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 1,933,913	$ 4,079	$ 1,465,943	$ 8,798
Up to 90 days	128,322	-	135,696	-
91 to 180 days	12,334	-	2,646	-
181 to 360 days	5,707	-	3,208	-
Over 360 days	31,077	-	44,517	-
	$ 2,111,353	$ 4,079	$ 1,652,010	$ 8,798

The above ageing analysis was based on past due date.

v. The Group assesses the expected credit losses of its accounts receivable as follows:
   (i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses.
   (ii) The provision matrix is used to estimate the expected credit losses from the remaining customers.
   (iii) The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2025 and 2024, the provision matrix is as follows:

	Group					
December 31, 2025	Individual	Not past due	Up to 90 days	91 to 180 days	181 to 360 days	Over 360 days	Total
Expected loss rate	100.00%	0.04%	1.52%	6.12%	23.90%	-	
Total book value	$ 31,077	$ 1,937,992	$ 128,322	$ 12,334	$ 5,707	$ -	$ 2,115,432
Loss allowance	$ 31,077	$ 804	$ 1,949	$ 755	$ 1,364	$ -	$ 35,949

	Group					
December 31, 2024	Individual	Not past due	Up to 90 days	91 to 180 days	181 to 360 days	Over 360 days	Total
Expected loss rate	100.00%	0.04%	1.11%	22.11%	55.39%	-	
Total book value	$ 45,007	$ 1,474,742	$ 135,696	$ 2,646	$ 2,717	$ -	$ 1,660,808
Loss allowance	$ 45,007	$ 566	$ 1,508	$ 585	$ 1,505	$ -	$ 49,171

vi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	Accounts receivable	
	2025	2024
At January 1	$ 49,171	$ 48,414
Provision for impairment loss	4,084	-
Reversal of impairment loss	-	(957)
Write-offs	(10,668)	-
Effect of foreign exchange	(6,638)	1,714
At December 31	$ 35,949	$ 49,171

vii. Financial assets at amortised cost are deposited in banks with good credit and financial institutions with investment grade so there is no significant default concerns and credit risk.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As at December 31, 2025 and 2024, the Group held money market position of $2,071,557 and $1,603,816, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

iii. The Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities are analysed into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

December 31, 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 58,374	$ 51,777	$ 48,592	$ 158,743
Bonds payable	-	1,000,000	-	1,000,000
	$ 58,374	$1,051,777	$ 48,592	$1,158,743

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 43,925	$ 33,037	$ 28,955	$ 105,917
Contingent consideration	101,649	-	-	101,649
Bonds payable	-	-	1,000,000	1,000,000
	$145,574	$ 33,037	$1,028,955	$1,207,566

Except for those listed in the table below, the Group's non-derivative financial liabilities (including accounts payable and other payables) will expire within 1 year.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Financial assets held by the Group are listed shares wherein the related income and closing prices could be readily and regularly obtained from the Stock Exchange and Taipei Exchange. The fair value of the shares of listed and emerging companies invested by the Group is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The related call options embedded in the convertible bonds issued by the Company and the fair value of Company's investments in derivative instruments are included in Level 2

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment and private equity fund investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Fair value information of financial instruments: Except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, refer to Note 12(2) for financial instruments not measured at fair value.

D. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, short-term borrowings, notes payable, accounts payable (including related parties) and other payables are approximate to their fair values.

	December 31, 2025			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 960,490	$ -	$ 965,800	$ -

	December 31, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 938,750	$ -	$ 940,900	$ -

The methods and assumptions the Company used to measure fair value are included as follows:

Bonds payable: They are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

E. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets at December 31, 2025 and 2024, are as follows:

(a) The related information on the nature of the assets is as follows:

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Limited partnership	$ -	$ -	$ 31,485	$ 31,485
Beneficiary certificates	62,038	-	-	62,038
Equity securities	68,905	-	-	68,905
Private equity fund investment	-	-	128,836	128,836
Call options of the convertible bonds issued	-	700	-	700
	$ 130,943	$ 700	$ 160,321	$ 291,964
Financial assets at fair value through other comprehensive income				
Equity securities	$ 717,612	$ -	$ 254,891	$ 972,503
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 261	$ -	$ 261

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Limited partnership	$ -	$ -	$ 30,697	$ 30,697
Derivative instruments	-	8,630	-	8,630
Beneficiary certificates	43,813	-	-	43,813
Equity securities	95,984	-	-	95,984
Corporate bonds	-	12,527	-	12,527
Call options of the convertible bonds issued	-	2,300	-	2,300
	$ 139,797	$ 23,457	$ 30,697	$ 193,951
Financial assets at fair value through other comprehensive income				
Equity securities	$ 430,295	$ -	$ 263,512	$ 693,807
Liabilities				
Recurring fair value measurements				
Contingent liabilities (shown as other payables)	$ -	$ -	$ 99,474	$ 99,474

(b) The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares and Emerging stocks
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When evaluating non-standardized and less complex financial instruments, such as debt instruments and exchange contracts for which there is no active market, the Group adopts evaluation techniques widely used by market participants. The parameters used in the valuation models of such financial instruments are usually self-developed valuation models using market observable price methods and techniques to measure fair value.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Note 12(3)9.

v. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as discount methods and option pricing models. Forward foreign exchange contracts are usually evaluated based on current forward exchange rates. Structured interest rate derivative financial instruments are based on appropriate option pricing models (such as the Black-Scholes model) or other evaluation methods, such as Monte Carlo simulation.

vi. The fair value of contingent consideration arising on a business combination is estimated using the discounted cash flow method. Its main assumptions consider the probability of achievement for various payment terms in individual contracts to estimate the payments to be paid which will be discounted, and thus the fair value is estimated by the present value after the discount.

vii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

viii. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

F. For the years ended December 31, 2025 and 2024, there was no transfer between Level 1 and Level 2.

G. The following chart is the movement of Level 3 for the years ended December 31, 2025 and 2024:

	2025		2024	
	Equity instruments	Contingent consideration	Equity instruments	Contingent consideration
At January 1	$ 294,209	$ 99,474	$ 246,480	$ 162,146
Financial assets at fair value through profit or loss	12,340	-	3,078	-
Recorded as unrealised (losses) gains on valuation of investments in equity instruments measured at fair value through other comprehensive income	(8,621)	-	191,736	-
Acquired during the year	117,560	-	66,000	-
Sold during the year	-	-	(64,327)	-
Investment cost return	(276)	-	-	-
Transfers out from level 3	-	-	(148,758)	-
Interest expense	-	-	-	28,553
Settled during the year	-	(100,130)	-	(100,130)
Effect due to changes in exchange rate	-	656	-	8,905
At December 31	$ 415,212	$ -	$ 294,209	$ 99,474

H. EASTERN UNION INTERACTIVE CORP. was listed on the Taipei Exchange in June 2024, and its transactions in the market had sufficient frequency and quantity. Accordingly, the Group reclassified the adopted fair value from Level 3 into Level 1 by the end of the month when the event occurred.

I. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	$ 146,720	Market comparable companies	Discount for lack of marketability	20%-25% (23%)	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	108,171	Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
			Weighted Average Cost of Capital of marketability	14%	The higher the weighted average cost of capital, the lower the fair value
Limited partnership	31,485	Net asset value	N/A	-	N/A
Private equity fund investment	128,836	〃	〃	〃	〃

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	$ 164,329	Market comparable companies	Discount for lack of marketability	20%-25% (22%)	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	99,183	Discounted cash flow	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
			Weighted Average Cost of Capital of marketability	15%	The higher the weighted average cost of capital, the lower the fair value
Limited partnership	30,697	Net asset value	N/A	-	N/A
Non-derivative debt instrument :					
Contingent consideration	99,474	Discounted cash flow	Discount rate	11.22%	The higher the discount rate, the lower the fair value
			According to the terms of individual contracts	N/A	According to the terms of individual contracts

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ -	$ -	$ 2,549	$ 2,549

			December 31, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ -	$ -	$ 2,635	$ 2,635

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 1.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 2.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 3.

F. Significant inter-company transactions during the reporting period: Refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to Tables 2, 3 and 4.

14. Operating Segment Information

(1) General information

The Company and its subsidiaries are primarily engaged in the manufacture, sales, import and export of various computer software and hardware and its peripherals as well as electronic products and components; manufacture and wholesale of wireless telecommunication equipment and apparatus, data storage and processing equipment, wired communication equipment and apparatus and printers. The chief operating decision maker considers the business from a product and service type perspective, develops products and expands business according to customer nature and needs of various types of products. Currently, business activities can be categorised into electronic products components manufacturing segment and others. Electronic products components manufacturing segment is reportable operating segment, other segments which have not met the quantitative threshold are not disclosed individually.

(2) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Electronic products components manufacturing segment	All other segments	Total
Year ended December 31, 2025			
Inter-segment revenue	$ 7,322,965	$ 256,076	$ 7,579,041
Segment income	$ 1,388,967	$ 45,443	$ 1,434,410
Depreciation and amortisation	$ 166,614	$ 5,229	$ 171,843
Interest income	$ 32,448	$ 1,283	$ 33,731
Interest expense	$ 25,528	$ 776	$ 26,304

	Electronic products components manufacturing segment	All other segments	Total
Year ended December 31, 2024			
Inter-segment revenue	$ 6,453,725	$ 311,353	$ 6,765,078
Segment income	$ 1,311,613	$ 99,093	$ 1,410,706
Depreciation and amortisation	$ 149,879	$ 3,982	$ 153,861
Interest income	$ 37,918	$ 1,474	$ 39,392
Interest expense	$ 39,203	$ 344	$ 39,547

The Group derives revenue from the transfer of goods at a point in time.

(3) Reconciliation for segment income (loss)

In current year, the revenue and income or loss before tax of reportable operating segment are consistent with those of continuing operations.

(4) Information on products

Details of revenue per product category are described in Note 6(21).

(5) Geographical information

Geographical information for the years ended December 31, 2025 and 2024 is as follows:

	Years ended December 31	
	2025	2024
	Non-current assets	Non-current assets
Taiwan	$ 1,295,713	$ 1,289,224
Vietnam	171,775	162,622
China	145,546	114,355
US	99,804	86,429
Thailand	12,313	15,355
	$ 1,725,151	$ 1,667,985

Details of revenue per geographical information are described in Note 6(21).

(6) Major customer information

For the years ended December 31, 2025 and 2024, the Group did not have any customers accounting for 10% or more of the consolidated statement of comprehensive income from sales revenue.

JPC Connectivity Inc. and subsidiaries

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2025				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
	Stock							
JPC Connectivity Inc.	FSP TECHNOLOGY INC.	The company is the Company's institutional shareholder	Current financial assets at fair value through other comprehensive income	2,000,000	$ 105,600	0%	$ 105,600	
JPC Connectivity Inc.	CHENBRO MICOM CO., LTD.	〃	〃	450,000	452,250	0%	452,250	
JPC Connectivity Inc.	JYH ENG TECHNOLOGY CO., LTD.	The Company is the director of the company	Non-current financial instruments at fair value through other comprehensive income	3,200,000	108,171	7%	108,171	
JPC Connectivity Inc.	Andra Capital Fund LP Private Equity Funds	N	Non-current financial assets at fair value through profit or loss	-	128,836	-	128,836	
CHA SHIN CHI INVESTMENT CO., LTD.	EASTERN UNION INTERACTIVE CORP.	〃	Non-current financial instruments at fair value through other comprehensive income	785,000	147,188	3%	147,188	
CHA SHIN CHI INVESTMENT CO., LTD.	LINCO TECHNOLOGY CO., LTD.	〃	〃	550,000	44,315	1%	44,315	
BEST LINK PROPERTIES LTD.	Diamond Creative Holding Limited	〃	〃	625,879	79,604	14%	79,604	

Note: The Company determines the marketable securities which shall be disclosed in this table based on the Materiality Principle.

JPC Connectivity Inc. and subsidiaries

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote (Note 2)
PEC Manufacturing, Viet Nam Company Limited	JPC Connectivity Inc.	The Company's indirect investee	Sales	($ 333,389)	99%	180 to 210 days at the end of the month	The same with the third parties	No significant difference	$ -	0%	
JPC Connectivity Inc.	PEC Manufacturing, Viet Nam Company Limited	"	Purchases	333,389	9%	180 to 210 days at the end of the month	"	"	-	0%	
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	"	Sales	(394,816)	62%	180 to 210 days at the end of the month	"	"	629,281	81%	
JPC Connectivity Inc.	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	"	Purchases	394,816	10%	180 to 210 days at the end of the month	"	"	(629,281)	28%	
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	"	Sales	(964,896)	98%	180 to 210 days at the end of the month	"	"	804,578	91%	
JPC Connectivity Inc.	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	"	Purchases	964,896	25%	180 to 210 days at the end of the month	"	"	(804,578)	36%	
ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	"	Sales	(201,231)	35%	180 to 210 days at the end of the month	"	"	174,811	54%	
JPC Connectivity Inc.	ASKA TECHNOLOGIES INC.	"	Purchases	201,231	5%	180 to 210 days at the end of the month	"	"	(174,811)	8%	
JPC CONNECTIVITY CO., LTD.	JPC connectivity Inc.	"	Sales	(160,721)	81%	180 to 210 days at the end of the month	"	"	28,064	49%	
JPC connectivity Inc.	JPC CONNECTIVITY CO., LTD.	"	Purchases	160,721	4%	180 to 210 days at the end of the month	"	"	(28,064)	1%	
DONGGUAN CELESTA ELECTRONICS LIMITED COMPANY	JPC connectivity Inc.	"	Sales	(129,943)	94%	180 to 210 days at the end of the month	"	"	37,428	98%	
JPC connectivity Inc.	DONGGUAN CELESTA ELECTRONICS LIMITED COMPANY	"	Purchases	129,943	3%	180 to 210 days at the end of the month	"	"	(37,428)	2%	

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

JPC Connectivity Inc. and subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	The Company's indirect investee	$ 629,281	0.61	$ 269,069	Collected subsequent to the balance sheet date	$ 118,608	$ -
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	"	804,578	1.35	-	"	270,871	-
ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	"	174,811	1.43	-	"	38,026	-

JPC Connectivity Inc. and subsidiaries

Significant inter-company transactions during the reporting period

Year ended December 31, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	2	Accounts receivable	$ 629,281	180 to 210 days at the end of the month	7%
2	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	2	Sales revenue	964,896	180 to 210 days at the end of the month	13%
2	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	2	Accounts receivable	804,578	180 to 210 days at the end of the month	9%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The Company decides to disclose or not to disclose significant transaction details in this table based on the Materiality Principle.

JPC Connectivity Inc. and subsidiaries

Information on investees

Year ended December 31, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income (loss) recognised by the Company for the year ended December 31, 2025	Footnote
				Balance as at December 31, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
JPC Connectivity Inc.	BEST LINK PROPERTIES LTD.	British Virgin Islands	Investment holdings	$ 879,662	$ 953,793	26,769,000	100	$ 2,326,631	$ 97,402	$ 92,655	Note 1
JPC Connectivity Inc.	CHA SHIN CHI INVESTMENT CO., LTD.	Taiwan	Investing	280,000	280,000	28,000,000	100	366,558	11,615	11,616	
JPC Connectivity Inc.	MAINSUPER ENTERPRISES CO., LTD.	Taiwan	Electronics manufacturing	120,000	120,000	1,500,000	100	48,361	6,791	6,791	
JPC Connectivity Inc.	TECHILL CO., LTD.	Taiwan	Sales of electronic components	15,850	15,850	1,275,000	51	21,793	856	436	
JPC Connectivity Inc.	Ultraspeed Electronics Co., Ltd.	Taiwan	Sales of electronic components	20,000	20,000	1,092,895	29.19	14,602	1,891	1,668	
JPC Connectivity Inc.	SWS GROUP COMPANY LIMITED	Thailand	Sales of electronic components	41,707	41,565	199,500	49.87	70,791	4,284	2,136	
JPC Connectivity Inc.	ASTRON Connectivity Co., LTD.	Taiwan	Sales of electronic components	10,200	10,200	3,213,000	51	111,007	120,911	61,665	
JPC Connectivity Inc.	JPCPT INC.	U.S.A	Introduction of new products, trial production and sales	439,942	439,942	10,000	100	665,957	135,962	120,501	
JPC Connectivity Inc.	JPC CONNECTIVITY CO., LTD.	Vietnam	Electronics manufacturing	367,664	174,994	290,115,000,000	100	310,399	(12,290)	(12,290)	
JPC Connectivity Inc.	JBL CONNECTIVITY COMPANY LIMITED	Hong kong	Sales of electronic components	15,362	15,362	3,675,000	49	19,480	9,709	4,758	Note 4
JPC Connectivity Inc.	JS CONNECTIVITY CO., LTD	Japan	Sales of electronic components	5,268	5,268	24,500	49	4,724	(195)	(96)	Note 5
JPC Connectivity Inc.	JUN CHEN GLOBAL CO., LTD	Seychelles	Investment holdings	91,000	91,000	2,800,000	40	85,077	(3,817)	(1,527)	Note 3
JPC Connectivity Inc.	APEX connectivity LTD.	Taiwan	Electronics manufacturing	13,362	12,848	1,530,000	51	13,137	(623)	(339)	Note 2
BEST LINK PROPERTIES LTD.	JPCCO CORP.	U.S.A	Investment holdings	109,853	109,853	288,283	98.3	95,452	31,617	31,080	
CHA SHIN CHI INVESTMENT CO., LTD.	JPCCO CORP.	U.S.A	Investment holdings	1,563	1,563	5,000	1.7	1,651	31,617	537	
JPCCO CORP.	PEC MANUFACTURING VIET NAM COMPANY LIMITED	Vietnam	Electronics manufacturing	57,972	57,972	23,000,000,000	100	74,685	39,992	38,882	
SWS GROUP COMPANY LIMITED	BPPG SERVICES CO., LTD.	Thailand	Electronic components services	3,179	3,179	30,000	60	18,277	6,933	4,160	

Note 1: The Company also has Mainland China subsidiaries held through JPC (HK) COMPANY LTD., BEST MATCH INVESTMENTS LIMITED, BEST SKY LIMITED, HUNG FU (SAMOA) INTERNATIONAL CO., LTD. and LUCKY STAR INVESTMENT CORP. whose details are provided in table 6.

Note 2: In October 2024, the Company invested and held a 49% equity interest in APEX Connectivity Ltd., and in November 2025, increased its investment by an additional 2% equity interest.

Note 3: In June 2024, the Company invested and held a 40% equity interest in JUN CHEN GLOBAL CO., LTD.

Note 4: In May 2024, the Company incorporated and held a 49% equity interest in JBL CONNECTIVITY COMPANY LIMITED.

Note 5: In May 2024, the Company incorporated and held a 49% equity interest in JS CONNECTIVITY CO., LTD.

JPC Connectivity Inc. and subsidiaries

Information on investments in Mainland China

Year ended December 31, 2025

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee for the year ended December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2025 (Note 2)	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
DONGGUAN JIEXUN ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sale of connector cables, connectors, computer peripheral devices and optoelectronic products	$ 125,720	(2)	$ 125,720	-	-	$ 125,720	$ -	100	$ -	$ -	$ -	Note 3
DONGGUAN CELESTA ELECTRONICS LIMITED COMPANY	Trade of electronic products	20,200	(2)	20,200	-	-	20,200	599	100	599	19,390	-	
ASKA TECHNOLOGIES INC.	Manufacture and sale of connector and cable assemblies and cables for the cloud network and consumer electronics	158,722	(3)	181,665	-	-	181,665	59,381	100	59,381	468,516	-	Note 4
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sale of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	188,580	(2)	125,720	-	-	125,720	58,295	100	58,295	643,018	-	Notes 5 and 6
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	Manufacture and sale of connector and cable assemblies and cables for the cloud network and consumer electronics	157,150	(2)	-	-	-	-	(44,715)	100	(44,715)	768,164	-	Note 7

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China

(3) Others

Note 2: Investment profit or loss for the period was recognised based on the self-compiled financial statements which were audited by independent auditors.

Note 3: The Company established and acquired 100% of the share in JESS-LINK (DG) PRODUCTS COMPANY LIMITED in the amount of USD 4,000 thousand through the investee company, JPC CO., LTD. JESS-LINK (DG) PRODUCTS COMPANY LIMITED which has been deregistered in 2017. The unused amount of investments in Mainland China was USD 4,000 thousand.

Note 4: The Company acquired 100% of the share in ASKA TECHNOLOGIES INC. in the amount of USD 3,030 thousand through the investee company, BEST LINK PROPERTIES LTD., and its subsidiary, BEST SKY LIMITED.

Note 5: The Company established and acquired 100% of the share in DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. at the amount of USD 1,800 thousand through the investee company, HUNG FU (SAMOA) INTERNATIONAL CO., LTD.

Note 6: DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. obtained approval from the Investment Commission in June 2018 to merge with JPC CABLE & WIRE INC..

Note 7: The Company established and acquired 100% of the share in DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY and HePing Hua-Bao Electronics CO ., LTD. in the amount of USD 750 thousand and USD 500 thousand, respectively, through the investee company, LUCKY STAR INVESTMENT CORP. HePing Hua-Bao Electronics CO ., LTD. has been deregistered in 2012. The unused amount of investment in Mainland China was USD 500 thousand.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
JPC connectivity Inc.	$ 516,113	$ 1,153,770	$ 3,159,831

Note 1: The approved investment amount of USD 32,778 thousand includes USD 290 thousand of investment of purchasing plant equipment, machinery and equipment and components from the third parties approved by the Investment Commission of the MOEA.

Note 2: The Company sold the shares in Wuxi Jiaqi Technology Co., Ltd. during 2005. As of December 31, 2023, the unused amount of investment in Mainland China was USD 1,250 thousand.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.