JPC CONNECTIVITY INC.

PARENT COMPANY ONLY 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.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying parent company only balance sheets of JPC Connectivity Inc. (the "Company") as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only 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 parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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 parent company only financial statements section of our report. We are independent of the Company 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. Based on our audits and the reports of other auditors, 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 Company's 2025 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only 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 Company's 2025 parent company only 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(29).

The Company's sales mainly arise from manufacturing and sales of electronic components and the Company is primarily engaged in international sales. The revenue from international sales is recognized 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 controls 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 end of the reporting period to assess the appropriateness of the cut-off on sales revenues.

Valuation of inventories

Description

Refer to Notes 4(13) and (14) for accounting policy on inventory valuation and investment accounted for under the equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Notes 6(6) and (7) for details of inventories. As at December 31, 2025, the Company's inventories and allowance for inventory valuation losses were NT$281,933 thousand and NT$21,050 thousand, respectively. As at December 31, 2025, the balances of inventories and allowance for inventory valuation losses in the consolidated financial statements amounted to NT$900,855 thousand and NT$84,101 thousand, respectively.

The Company and its subsidiaries are 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 Company and its subsidiaries' inventory are stated at the lower of cost and net realisable value, and the net realisable 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 allowance for inventory valuation losses is presented under "inventories" and "investment accounted for using equity method" in the parent company financial statements.

The Company and its subsidiaries operate in an environment characterised by rapidly changing technology and the calculation of the net realisable 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 Company's operations and industry. Assessed the reasonableness of the policies and procedures used to recognize allowance for inventory valuation losses.
2. Obtained the report on net realisable 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 inventory aging reports which management used to assess inventories to confirm whether the information on the reports is consistent with its policies.
4. Discussed with management the estimated net realisable 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 investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 in respect of these companies, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT$1,121,832 thousand and NT$797,633 thousand, constituting 13% and 10% of the total assets as at December 31, 2025 and 2024, respectively, and the comprehensive income recognized from these investments accounted for under the equity method amounted to NT$149,229 thousand and NT$98,244 thousand, constituting 10% and 7% of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 parent company only 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 parent company only 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 Company'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 Company'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 parent company only 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 Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 parent company only 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 parent company only 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 parent company only 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.
PARENT COMPANY ONLY 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)	$ 935,628	11	$ 786,019	10
1110	Current financial assets at fair value through profit or loss	6(2)	700	-	10,930	-
1120	Current financial assets at fair value through other comprehensive income	6(3)	557,850	6	290,495	4
1136	Current financial assets at amortised cost	6(4) and 8	370,000	4	985,455	12
1170	Accounts receivable	6(5) and 7	1,349,464	16	911,365	11
1200	Other receivables	7	169,092	2	121,424	2
130X	Inventory	6(6)	260,883	3	214,731	3
1410	Prepayments	7	13,335	-	28,175	-
11XX	**Total current assets**		3,656,952	42	3,348,594	42
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	160,321	2	30,697	1
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	116,757	1	99,183	1
1550	Investments accounted for under equity method	6(7)	4,058,517	47	3,763,394	47
1600	Property, plant and equipment	6(8) and 8	610,415	7	639,507	8
1755	Right-of-use assets	6(9)	16,000	-	22,056	-
1760	Investment property	6(10) and 8	73,431	1	17,437	-
1780	Intangible assets	6(11)	8,025	-	7,794	-
1840	Deferred income tax assets	6(22)	11,081	-	5,750	-
1900	Other non-current assets	6(14) and 8	34,077	-	39,654	1
15XX	**Total non-current assets**		5,088,624	58	4,625,472	58
1XXX	**Total assets**		$ 8,745,576	100	$ 7,974,066	100

(Continued)

JPC CONNECTIVITY INC.
PARENT COMPANY ONLY 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					
2130	Current contract liabilities	6(19)	$ 22,581	-	$ 23,533	-
2170	Accounts payable		445,081	5	489,751	6
2180	Accounts payable - related parties	7	1,792,884	20	1,528,101	19
2200	Other payables	6(13)	248,150	3	338,795	4
2220	Other payables - related parties	7	58,684	1	61,660	1
2230	Current income tax liabilities	6(22)	142,983	2	107,230	2
2280	Current lease liabilities		8,793	-	7,845	-
2399	Other current liabilities		1,639	-	1,738	-
21XX	**Total current liabilities**		2,720,795	31	2,558,653	32
	Non-current liabilities					
2530	Bonds payable	6(12)	960,490	11	938,750	12
2570	Deferred income tax liabilities	6(22)	33,745	1	49,474	1
2580	Non-current lease liabilities		7,706	-	14,571	-
25XX	**Total non-current liabilities**		1,001,941	12	1,002,795	13
2XXX	**Total liabilities**		3,722,736	43	3,561,448	45
	Equity					
	Share capital	6(15)				
3110	Common stock		1,220,859	14	1,220,859	15
	Capital surplus	6(16)				
3200	Capital surplus		437,097	5	437,097	5
	Retained earnings	6(17)				
3310	Legal reserve		762,268	9	650,914	8
3320	Special reserve		11,134	-	233,667	3
3350	Unappropriated retained earnings		2,320,040	26	1,881,214	24
	Other equity interest	6(18)				
3400	Other equity interest		271,442	3	(11,133)	-
3XXX	**Total equity**		5,022,840	57	4,412,618	55
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 8,745,576	100	$ 7,974,066	100

The accompanying notes are an integral part of these parent company only financial statements.

JPC CONNECTIVITY INC.
PARENT COMPANY ONLY 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	Operating revenue	6(19) and 7	$ 4,948,862	100	$ 4,463,660	100
5000	Operating costs	6(6)(21) and 7	(3,318,532)	(67)	(3,050,863)	(68)
5900	Net operating margin		1,630,330	33	1,412,797	32
	Operating expenses	6(21)				
6100	Selling expenses		(272,701)	(5)	(302,522)	(7)
6200	General and administrative expenses		(174,168)	(4)	(178,028)	(4)
6300	Research and development expenses		(143,075)	(3)	(152,310)	(3)
6450	Impairment gain		-	-	740	-
6000	Total operating expenses		(589,944)	(12)	(632,120)	(14)
6900	Operating profit		1,040,386	21	780,677	18
	Non-operating income and expenses					
7100	Interest income		22,954	-	30,269	-
7010	Other income	6(3)	23,781	1	33,656	1
7020	Other gains and losses	6(20)	(87,249)	(2)	93,358	2
7050	Finance costs		(22,206)	-	(36,792)	(1)
7070	Share of profit of associates and joint ventures accounted for under equity method	6(7)	287,974	6	343,661	8
7000	Total non-operating income and expenses		225,254	5	464,152	10
7900	**Profit before income tax**		1,265,640	26	1,244,829	28
7950	Income tax expense	6(22)	(206,922)	(4)	(184,185)	(4)
8200	**Profit for the year**		$ 1,058,718	22	$ 1,060,644	24
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains on defined benefit plan	6(14)	$ 2,395	-	$ 2,060	-
8316	Unrealized gains on financial assets at fair value through other comprehensive income	6(3)(18)	409,406	8	37,544	1
8330	Share of other comprehensive income of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(18)	2,851	-	167,098	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	(479)	-	(412)	-
8310	Other comprehensive income that will not be reclassified to profit or loss		414,173	8	206,290	4
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(18)	(2,461)	-	80,066	2
8380	Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method	6(18)	(5,607)	-	142	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(8,068)	-	80,208	2
8300	**Total other comprehensive income for the year**		$ 406,105	8	$ 286,498	6
8500	**Total comprehensive income for the year**		$ 1,464,823	30	$ 1,347,142	30
	Earnings per share (in dollars)	6(23)				
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 parent company only financial statements.

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

			Capital Reserves			Retained Earnings			Other Equity Interest		
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Capital surplus, share options	Capital surplus from treasury stock transactions	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 equity
Year ended December 31, 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
Profit for the year		-	-	-	-	-	-	1,060,644	-	-	1,060,644
Other comprehensive income	6(18)	-	-	-	-	-	-	1,648	80,208	204,642	286,498
Total comprehensive income		-	-	-	-	-	-	1,062,292	80,208	204,642	1,347,142
Appropriations of 2023 earnings:	6(17)										
Legal reserve		-	-	-	-	65,754	-	(65,754)	-	-	-
Reversal of special reserve		-	-	-	-	-	(23,299)	23,299	-	-	-
Cash dividends		-	-	-	-	-	-	(439,509)	-	-	(439,509)
Cash dividends from capital surplus	6(17)	-	(73,252)	-	-	-	-	-	-	-	(73,252)
Proceeds from issuance of bonds	6(12)	-	-	237,781	-	-	-	-	-	-	237,781
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	-	44,721	-	(44,721)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(18)	-	-	-	-	-	-	17,595	-	(17,595)	-
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	(11,066)	-	-	(11,066)
Balance at December 31, 2024		$1,220,859	$ 186,477	$ 237,781	$ 12,839	$ 650,914	$ 233,667	$1,881,214	($ 133,576)	$ 122,443	$4,412,618
Year ended December 31, 2025											
Balance at January 1, 2025		$1,220,859	$ 186,477	$ 237,781	$ 12,839	$ 650,914	$ 233,667	$1,881,214	($ 133,576)	$ 122,443	$4,412,618
Profit for the year		-	-	-	-	-	-	1,058,718	-	-	1,058,718
Other comprehensive income (loss)	6(18)	-	-	-	-	-	-	1,916	(8,068)	412,257	406,105
Total comprehensive income		-	-	-	-	-	-	1,060,634	(8,068)	412,257	1,464,823
Appropriations of 2024 earnings:	6(17)										
Legal reserve		-	-	-	-	111,354	-	(111,354)	-	-	-
Reversal of special reserve		-	-	-	-	-	(222,533)	222,533	-	-	-
Cash dividends		-	-	-	-	-	-	(854,601)	-	-	(854,601)
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	-	128,514	-	(128,514)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(18)	-	-	-	-	-	-	(6,900)	-	6,900	-
Balance at December 31, 2025		$1,220,859	$ 186,477	$ 237,781	$ 12,839	$ 762,268	$ 11,134	$2,320,040	($ 141,644)	$ 413,086	$5,022,840

The accompanying notes are an integral part of these parent company only financial statements.

JPC CONNECTIVITY INC.

PARENT COMPANY ONLY 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		$ 1,265,640	$ 1,244,829
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(21)	52,015	43,295
Amortisation	6(11)(21)	3,635	5,663
Impairment gain	12(2)	-	(740)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(20)	6,711	(22,675)
Interest expense		22,206	36,792
Interest income		(22,954)	(30,269)
Dividend income	6(3)	(19,197)	(15,300)
Share of profit of associates and joint ventures accounted for under equity method	6(7)	(287,974)	(343,661)
Gain on disposal of property, plant and equipment	6(20)	(5)	(55,368)
Gain on disposal of investments	6(7)(20)	(297)	-
Gain on disposal of subsidiary	6(7)(20)	(996)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets or liabilities at fair value through profit or loss		(126,105)	8,943
Accounts receivable		(438,099)	(114,509)
Other receivables		60,454	220,612
Inventory		(46,152)	(49,054)
Prepayments		14,840	24,806
Other non-current assets		(244)	(235)
Changes in operating liabilities			
Current contract liabilities		(952)	18,180
Accounts payable		(44,670)	41,644
Accounts payable - related parties		264,783	236,219
Other payables		(74,843)	(32,133)
Other payables - related parties		(2,976)	1,582
Other current liabilities		(99)	(1,278)
Cash inflow generated from operations		624,721	1,217,343
Interest received		22,954	30,237
Interest paid		(466)	(3,774)
Income tax paid		(192,708)	(184,039)
Net cash flows from operating activities		454,501	1,059,767
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		(145,530)	(189,632)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	270,007	79,546
Decrease (increase) in financial assets at amortized cost		615,455	(770,485)
Dividends received	6(3)	19,197	15,300
Proceeds from capital reduction of investments accounted for under equity method		74,130	-
Acquisition of investments accounted for under equity method		(193,325)	(124,478)
Acquisition of property, plant and equipment	6(24)	(77,892)	(414,544)
Proceeds from disposal of property, plant and equipment		144	175,355
Acquisition of intangible assets	6(11)	(3,428)	(8,140)
Decrease (increase) in refundable deposits		230	(4,099)
Acquisition of other non-current assets		(853)	(9,018)
Net cash flows from (used in) investing activities		558,135	(1,250,195)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(25)	-	1,161,000
Decrease in short-term borrowings	6(25)	-	(1,261,000)
Payment of lease liabilities	6(25)	(8,426)	(7,659)
Decrease in guarantee deposits received		-	(150)
Cash dividends paid	6(17)	(854,601)	(439,509)
Cash dividends from capital surplus	6(17)	-	(73,252)
Proceeds from issuance of bonds	6(25)	-	1,168,966
Net cash flows (used in) from financing activities		(863,027)	548,396
Net increase in cash and cash equivalents		149,609	357,968
Cash and cash equivalents at beginning of year		786,019	428,051
Cash and cash equivalents at end of year		$ 935,628	$ 786,019

The accompanying notes are an integral part of these parent company only financial statements.

JPC CONNECTIVITY INC.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

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 trading 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 Authorization for Issuance of the Financial Statements and Procedures for Authorization

These parent company only financial statements were authorized 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 Company's financial condition and financial performance based on the Company'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 Company

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 Company's financial condition and financial performance based on the Company'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 related to the investments derecognised during that 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 Company's financial condition and financial performance based on the Company'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 parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the parent company only 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 recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

(d) Contingent consideration recognized at fair value because of business combinations.

B. The preparation of financial statements in conformity with 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") requires

the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company'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) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional and 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 recognized 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 recognized 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 recognized 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 recognized 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 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 Company entities, associates and joint arrangements 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 recognized in other comprehensive income.

(b) 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 Company 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.

(c) 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 Company 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

(4) 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 realized, 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 realized 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.

(5) 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.

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized 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 are recognized and derecognized using trade date accounting.

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

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

(7) 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 Company has made an irrevocable election at initial recognition to recognize 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 recognized and derecognized using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognized 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 recognized as revenue when the right to receive payment is established,

future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Financial assets at amortized cost

A. Financial assets at amortized cost are those that meet all of the following criteria:
   (a) The objective of the Company'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 amortized cost are recognized and derecognized using trade date accounting.

C. At initial recognition, the Company 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 recognized in profit or loss when the asset is derecognized or impaired.

D. The Company'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.

(9) Accounts receivable

A. Accounts and notes receivable entitle the Company 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.

(10) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Company derecognizes 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 Company 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 Company has not retained control of the financial asset.

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

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

(13) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, 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 realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary

to make the sale..

(14) Investments accounted for using the equity method / subsidiaries

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company 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.

B. Inter-company transactions, balances and unrealized gains or losses on transactions between subsidiaries are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize the losses in proportion to its ownership interest.

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 recognized directly in equity.

E. When the Company obtains control over a subsidiary in stages, the equity interest in the acquiree previously held by the Company is remeasured at its fair value on the acquisition date and treated as the original cost of the investment in the subsidiary. The difference between the fair value and the carrying amount is recognized in current profit or loss. For all amounts previously recognized in other comprehensive income in relation to that subsidiary, the accounting treatment shall be the same as if the Company had directly disposed of the related assets or liabilities. In other words, if gains or losses previously recognized in other comprehensive income would be reclassified to profit or loss upon disposal of the related assets or liabilities, such gains or losses shall be reclassified from equity to profit or loss when the Company obtains control over the subsidiary in stages.

F. When the Company loses control of a subsidiary, the Company 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 recognized in profit or loss. All amounts previously recognized 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 Company loses control of a subsidiary, all gains or losses previously recognized 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.

G. Associates are all entities over which the Company 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.

H. The Company'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 Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company

does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

I. 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 Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

J. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company'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 Company.

K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized 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 recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

L. Pursuant to the "Rules Governing the Preparation of Financial Statements by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

M. Contingent consideration included in the consideration of acquisition in business combinations is recognized 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. Adjustments during the measurement period pertains to the adjustments made based on the additional information, in relation to the facts and circumstances existing on the acquisition date, acquired by the Company 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 be recognized in profit or loss.

(15) Property, plant and equipment

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

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. 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	15~50 years
Machinery and equipment	2~10 years
Office and other equipment	3~10 years

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

A. Leases are recognized 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 Company. For short-term leases or leases of low-value assets, lease payments are recognized 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 Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized 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 recognized as an adjustment to the right-of-use asset.

(17) 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 50 years.

(18) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 2 to 9 years.

(19) Impairment of non-financial assets

The Company 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 recognized 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 recognizing 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 amortized historical cost would have been if the impairment had not been recognized.

(20) 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.

(21) Convertible corporate bonds

Convertible corporate bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares) and call options. The Company 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' and 'financial assets or liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The book value of common shares issued due to the conversion shall be based on the adjusted book value of the abovementioned liability component plus the book value of capital surplus - share options.

(22) Derecognition of financial liabilities

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

(23) 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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(24) 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.

(25) 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 recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For the defined contribution plan, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized 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 Company in current period or prior periods. The liability recognized 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 Company uses interest rates of government bonds (at the balance sheet date) instead.

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

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

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

Employees' compensation and directors' and supervisors' remuneration are recognized 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.

(26) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized 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 recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent

company only 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, except where the timing of the reversal of the temporary difference is controlled by the Company 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 realized or the deferred tax liability is settled.

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

(27) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

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 carrying amount 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.

(28) 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.

(29) Revenue recognition

A. The Company 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 Company's activities. Sales are recognized 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 Company has objective evidence that all criteria for acceptance have been satisfied. The sales usually are made with a credit term of 30 ~ 150 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 Company does not adjust the transaction price to reflect the time value of money.

B. A receivable is recognized 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.

(30) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which

the Company recognizes expenses for the related costs for which the grants are intended to compensate.

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

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company'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 Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

The Company 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 realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company 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 realizable 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

	December 31, 2025	December 31, 2024
Cash on hand	$ 1,245	$ 781
Checking accounts and demand deposits	840,093	565,962
Time deposits	94,290	219,276
	$ 935,628	$ 786,019

A. The Company 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 Company has no cash and cash equivalents pledged to others.

(2) Financial assets 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		
Call options of the convertible bonds issued	$ 700	$ 2,300
Derivative instruments	-	8,630
	$ 700	$ 10,930
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Private equity fund investment	$ 128,836	$ -
Limited partnership	31,485	30,697
	$ 160,321	$ 30,697

A. The nature of financial assets at fair value through profit or loss are as follows:
   (a) Derivative instruments: Including forward foreign exchange contracts and foreign exchange swap contracts.
   (b) Limited partnership: The Company 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 Company'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 Company. Please refer to Note 6(12) for details.

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

	Year ended December 31,	
	2025	2024
Financial assets/liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	($ 17,451)	$ 22,120
Private equity fund investment	11,276	-
Limited partnership	1,064	1,355
Call options of the convertible bonds issued	(1,600)	(800)
	($ 6,711)	$ 22,675

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

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

(a) As of December 31, 2025, the Company had not entered into any forward foreign exchange contracts or foreign exchange swap contracts.

(b) The Company entered into forward foreign exchange contracts and foreign exchange swap contracts to hedge exchange rate risk of import proceeds and hedge exchange rate risk of assets and liabilities denominated in foreign currencies whose values would be affected by the exchange rate fluctuation. However, these forward foreign exchange 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	$ 268,865	$ 270,228
Valuation adjustment	288,985	20,267
	$ 557,850	$ 290,495
Non-current items:		
Emerging stocks	$ 5,400	$ -
Unlisted stocks	92,800	92,800
Valuation adjustment	18,557	6,383
	$ 116,757	$ 99,183

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

B. The Company sold financial assets at a consideration of $270,007 and $79,546 for the years ended December 31, 2025 and 2024, respectively.

C. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Year ended December 31	
	2025	2024
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 409,406	$ 37,544
Cumulative gains reclassified to retained earnings due to derecognition	$ 128,514	$ 44,721
Dividend income recognized in profit or loss (shown as other income)	$ 19,197	$ 15,300

(4) Financial assets at amortized cost

Items	December 31, 2025	December 31, 2024
Current items:		
Time deposits with maturity over three months	$ 370,000	$ 985,455

A. The Company recognized $9,802 and $21,941 of interest income arising from the financial assets at amortised cost for the years ended December 31, 2025 and 2024, respectively.

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

(5) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable	$ 1,351,964	$ 913,865
Less: Allowance for uncollectible accounts	(2,500)	(2,500)
	$ 1,349,464	$ 911,365

A. As of December 31, 2025 and 2024, accounts receivable was all from contracts with customers. As of January 1, 2024, the balance of receivables from contracts with customers amounted to $799,356.

B. The Company 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	$ 90,112	($ 16,261)	$ 73,851
Work in progress	25,753	-	25,753
Finished goods	165,464	(4,696)	160,768
Merchandise inventory	604	(93)	511
	$ 281,933	($ 21,050)	$ 260,883

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 48,469	($ 6,447)	$ 42,022
Work in progress	35,551	-	35,551
Finished goods	137,594	(4,546)	133,048
Merchandise inventory	4,111	(1)	4,110
	$ 225,725	($ 10,994)	$ 214,731

The cost of inventories recognized as expense for the year:

	Year ended December 31	
	2025	2024
Cost of goods sold	$ 3,308,452	$ 3,027,629
Valuation loss on inventories	10,055	23,555
Others	25	(321)
	$ 3,318,532	$ 3,050,863

(7) Investments accounted for using equity method

	Year ended December 31	
	2025	2024
Subsidiaries:		
BEST LINK PROPERTIES LTD.	$ 2,326,631	$ 2,295,203
JPCPT INC.	665,957	551,668
CHA SHIN CHI INVESTMENT CO., LTD.	366,558	382,242
JPC CONNECTIVITY CO., LTD.	310,399	142,859
ASTRON CONNECTIVITY CO., LTD.	111,007	85,042
SWS GROUP COMPANY LIMITED	70,791	65,658
MAINSUPER ENTERPRISES CO., LTD.	48,361	82,773
TECHILL CO., LTD.	21,793	21,357
JBL CONNECTIVITY CO., LTD.	19,480	15,328
APEX CONNECTIVITY LTD.	13,137	-
ULTRASPEED ELECTRONICS CO., LTD.	-	11,938
Associate:		
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
	$ 4,058,517	$ 3,763,394

A. Information on the Company's subsidiaries is provided in Note 4(3) in the Company's consolidated financial statements as of and for the year ended December 31, 2025.

B. The investees in Mainland China invested through BEST LINK PROPERTIES LTD. are primarily engaged in the manufacture and processing of electronic products. The relevant information is disclosed in Note 13.

C. 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 or loss on disposal of subsidiaries amounting to $996 (shown as 'Other gains and losses'). For the years ended December 31, 2025 and 2024, the Company's investment income from the entity amounted to $1,668 and $108, respectively.

D. 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 Company held the entity's equity interests before the date of obtaining control with a fair value of $12,868, and recognised gain on disposal of investments amounting to $297 (shown as 'Other gains and losses'). The entity is primarily engaged in the

production and sale of data network telecommunications and liquid cooling connectors. For the years ended December 31, 2025 and 2024, the Company's investment loss from the entity amounted to $339 and $183, respectively.

E. In July 2023, the Company incorporated and held a 100% equity interest in JPC CONNECTIVITY CO., LTD. and obtained control over the entity, thus it became a subsidiary of the Company since then. In March 2025 and December 2025, the Company increased its capital in the entity amounting to $192,670. The entity is primarily engaged in the production and sale of data network telecommunications, intelligent connectivity products, cable assemblies, and cables. For the years ended December 31, 2025 and 2024, the Company's investment loss from the entity amounted to $12,290 and $22,434, respectively.

F. In June 2024, the Company invested in JUN CHEN GLOBAL CO., LTD. at a total price of $91,000, and held a 40% equity interest in JUN CHEN GLOBAL CO., LTD. As the Company does not acquire over 50% of the seats in the Board of Directors of JUN CHEN GLOBAL CO., LTD. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control, but only has significant influence, over the investee since the effective date of the capital increase. The entity is primarily engaged in planning of production line and optimization of the capacity in North Vietnam. For the years ended December 31, 2025 and 2024, the Company's loss on investment in JUN CHEN GLOBAL CO., LTD. amounted to $1,527 and $29, respectively.

G. In May 2024, the Company incorporated and held a 100% equity interest in JBL CONNECTIVITY CO., LTD. and obtained control over the company. The company is primarily engaged in the manufacture and sales of connector and cable assemblies and cables for Datacenter/Networking/Telecom and smart connection products. For the years ended December 31, 2025 and 2024, the Company's gain (loss) on investment in JBL CONNECTIVITY CO., LTD. amounted to $4,758 and ($175).

H. In May 2024, the Company incorporated and held a 49% equity interest in JS CONNECTIVITY CO., LTD. As the Company does not acquire over 50% of the seats in the Board of Directors of JS CONNECTIVITY CO., LTD. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control, but only has significant influence, over the investee since the effective date of the incorporation. The entity is primarily engaged in the promotion and sales of new products in Japan. For the years ended December 31, 2025 and 2024, the Company's loss on investment in JS CONNECTIVITY CO., LTD. amounted to $96 and $89, respectively.

I. The Company's share of profit or loss of associated enterprises and joint ventures recognized using the equity method in 2025 and 2024 amounted to $287,974 and $343,661, respectively.

(8) Property, plant and equipment

	2025					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
At January 1						
Cost	$ 471,950	$ 93,425	$ 135,039	$ 21,010	$ 17,407	$ 738,831
Accumulated depreciation	-	(32,369)	(53,198)	(6,166)	(7,591)	(99,324)
	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507
Opening net book amount as at January 1	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507
Additions	-	34,198	21,345	2,772	3,783	62,098
Disposals	-	-	(115)	(29)	-	(144)
Reclassification	(62,317)	6,202	5,493	315	2,591	(47,716)
Depreciation charge	-	(2,238)	(33,930)	(4,517)	(2,645)	(43,330)
Closing net book amount as at December 31	$ 409,633	$ 99,218	$ 74,634	$ 13,385	$ 13,545	$ 610,415
At December 31						
Cost	$ 409,633	$ 138,764	$ 142,548	$ 21,572	$ 23,139	$ 735,656
Accumulated depreciation	-	(39,546)	(67,914)	(8,187)	(9,594)	(125,241)
	$ 409,633	$ 99,218	$ 74,634	$ 13,385	$ 13,545	$ 610,415

	2024					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
At January 1						
Cost	$ 190,629	$ 96,538	$ 172,017	$ 13,630	$ 19,695	$ 492,509
Accumulated depreciation	-	(31,982)	(104,084)	(7,008)	(9,175)	(152,249)
	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260
Opening net book amount as at January 1	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260
Additions	363,178	5,281	48,094	11,244	2,359	430,156
Disposals	(98,027)	(10,254)	(11,664)	-	(42)	(119,987)
Reclassification	16,170	3,745	4,166	-	-	24,081
Depreciation charge	-	(2,272)	(26,688)	(3,022)	(3,021)	(35,003)
Closing net book amount as at December 31	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507
At December 31						
Cost	$ 471,950	$ 93,425	$ 135,039	$ 21,010	$ 17,407	$ 738,831
Accumulated depreciation	-	(32,369)	(53,198)	(6,166)	(7,591)	(99,324)
	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507

A. For the years ended December 31, 2025 and 2024, information on reclassification of land, buildings and equipment is provided in Note 6(10).

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

(9) Leasing arrangements－lessee

A. The Company leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 5 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.

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

	Year ended December 31	
	2025	2024
	Carrying amount	Carrying amount
Buildings	$ 14,967	$ 20,607
Transportation equipment (Business vehicles)	413	965
Office equipment	347	469
Other equipment	273	15
	$ 16,000	$ 22,056

	Year ended December 31	
	2025	2024
	Depreciation charge	Depreciation charge
Buildings	$ 7,739	$ 7,273
Transportation equipment (Business vehicles)	552	483
Office equipment	122	122
Other equipment	151	87
	$ 8,564	$ 7,965

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were $2,509 and $830, respectively.

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

	Year ended December 31	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 466	$ 576
Expense on short-term lease contracts	824	173

F. For the years ended December 31, 2025 and 2024, the Company's total cash outflow for leases were $9,716 and $8,408, respectively.

(10) Investment property

	2025		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 9,748	$ 12,650	$ 22,398
Accumulated depreciation	-	(4,961)	(4,961)
	$ 9,748	$ 7,689	$ 17,437
Opening net book amount as at January 1	$ 9,748	$ 7,689	$ 17,437
Depreciation charge	-	(121)	(121)
Reclassifications	62,317	(6,202)	56,115
Closing net book amount as at December 31	$ 72,065	$ 1,366	$ 73,431
At December 31			
Cost	$ 72,065	$ 1,508	$ 73,573
Accumulated depreciation	-	(142)	(142)
	$ 72,065	$ 1,366	$ 73,431

	2024		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 25,918	$ 20,324	$ 46,242
Accumulated depreciation	-	(8,563)	(8,563)
	$ 25,918	$ 11,761	$ 37,679
Opening net book amount as at January 1	$ 25,918	$ 11,761	$ 37,679
Depreciation charge	-	(327)	(327)
Reclassifications	(16,170)	(3,745)	(19,915)
Closing net book amount as at December 31	$ 9,748	$ 7,689	$ 17,437
At December 31			
Cost	$ 9,748	$ 12,650	$ 22,398
Accumulated depreciation	-	(4,961)	(4,961)
	$ 9,748	$ 7,689	$ 17,437

A. The Company leases various assets including land and buildings. Rental contracts are typically made for periods of 1 year. 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	$ -	2025	$ 36
2026	217	2026	-
	$ 217		$ 36

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

	Year ended December 31	
	2025	2024
Rental income from investment property	$ 217	$ 435
Direct operating expenses arising from the investment property that generated rental income during the year	$ 121	$ 327

D. The fair value of the investment property held by the Company as at December 31, 2025 and 2024 was $84,456 and $37,070, 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. Furthermore, the Company transferred land of $9,748 and $0, and buildings and structures of $7,663 and $0, respectively, out of investment property.

F. Information about the investment property that was pledged to others as collateral is provided in Note 8.

(11) Intangible assets

	Software cost	
	2025	2024
At January 1		
Cost	$ 59,085	$ 50,945
Accumulated amortization	(51,291)	(45,628)
	$ 7,794	$ 5,317
Opening net book amount as at January 1	$ 7,794	$ 5,317
Additions	3,428	8,140
Reclassification	438	-
Amortization charge	(3,635)	(5,663)
Closing net book amount as at December 31	$ 8,025	$ 7,794
At December 31		
Cost	$ 62,951	$ 59,085
Accumulated amortization	(54,926)	(51,291)
	$ 8,025	$ 7,794

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

	Year ended December 31	
	2025	2024
Operating costs	$ 60	$ 60
Selling expenses	-	9
Administrative expenses	924	1,415
Research and development expenses	2,651	4,179
	$ 3,635	$ 5,663

(12) 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

A. 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%.

(13) Other payables

	December 31, 2025	December 31, 2024
Employees' bonus, wages and salaries payable	$ 205,539	$ 179,683
Payables on equipment	12,091	27,885
Current contingent liabilities (Note)	-	99,474
Others	30,520	31,753
	$ 248,150	$ 338,795

Note: On July 1, 2023, the Company 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.

(14) 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 recognized 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 asset 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:

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

Future mortality rate was estimated based on 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 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
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 Company 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 has 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 contributes 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 pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2025 and 2024 were $12,997 and $11,036, respectively.

(15) Share capital

As of December 31, 2025, the Company's authorized 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.

(16) 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 capitalized 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.

	Share premium	Treasury share transactions
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

(17) 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 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(21).

(18) Other equity items

	2025		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	$ 122,443	($ 133,576)	($ 11,133)
Revaluation			
- The Company	409,406	-	409,406
- Subsidiary	2,851	-	2,851
Revaluation transferred to retained earnings			
- The Company	(128,514)	-	(128,514)
- Subsidiary	6,900	-	6,900
Currency translation differences:			
- Subsidiary	-	(2,461)	(2,461)
- Subsidiary and 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			
- The Company	37,544	-	37,544
- Subsidiary	167,098	-	167,098
Revaluation transferred to retained earnings			
- The Company	(44,721)	-	(44,721)
- Subsidiary	(17,595)	-	(17,595)
Currency translation differences:			
- Subsidiary	-	80,066	80,066
- Subsidiary and associates	-	142	142
At December 31	$ 122,443	($ 133,576)	($ 11,133)

(19) Operating revenue

	Year ended December 31	
	2025	2024
Revenue from contracts with customers	$ 4,941,047	$ 4,449,980
Other operating revenue	7,815	13,680
	$ 4,948,862	$ 4,463,660

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

A. Disaggregation of revenue from contracts with customers

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

	Year ended December 31	
Revenue from external customer contracts	2025	2024
US	$ 1,839,738	$ 1,640,777
Taiwan	1,100,164	731,467
Japan	438,002	758,959
Thailand	403,915	142,980
China	330,504	494,806
Netherlands	170,715	259,285
Others	665,824	435,386
	$ 4,948,862	$ 4,463,660

B. Information on products

	Year ended December 31	
	2025	2024
Datacenter/Networking/Telecom	$ 3,525,185	$ 2,874,496
Smart Connection Industry	1,307,203	1,475,177
Internet of Things	108,659	100,307
Others	7,815	13,680
	$ 4,948,862	$ 4,463,660

C. Contract assets and liabilities

The Company has recognized the following revenue-related contract liabilities:

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	$ 22,581	$ 23,533	$ 5,353

The amount of revenue recognized that was included in the contract liability balance at the beginning for the years ended December 31, 2025 and 2024 was $12,229 and $3,328, respectively.

(20) Other gains and losses

	Year ended December 31	
	2025	2024
Net foreign exchange (losses) gains	($ 81,825)	$ 15,298
Net (losses) gains on financial assets and liabilities at fair value through profit or loss	(6,711)	22,675
Gains on disposals of subsidiary (Note)	996	-
Gains on disposals of investments (Note)	297	-
Gains on disposals of property, plant and equipment	5	55,368
Others	(11)	17
	($ 87,249)	$ 93,358

Note:Please refer to Note 6(7) for details.

(21) Expenses by nature

	Year ended December 31	
	2025	2024
Employee benefit		
Wages and salaries	$ 348,826	$ 372,774
Labour and health insurance fees	24,754	22,886
Pension costs	12,753	10,801
Directors' remuneration	7,920	5,400
Other personnel expenses	11,681	11,308
	$ 405,934	$ 423,169
Depreciation charges (Note)	$ 52,015	$ 43,295
Amortisation charge	$ 3,635	$ 5,663

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

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 10% 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 was accrued at $141,507 and $138,914, respectively; while directors' remuneration was accrued at $7,920 and $5,400, respectively. The aforementioned amounts were recognized in salary expenses.

For the years ended December 31, 2025 and 2024, employees' compensation was estimated and accrued based on 10% and 10% of distributable profit of current year, respectively; 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 recognized 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.

(22) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2025	2024
Current tax:		
Current tax on profits for the year	$ 215,322	$ 170,407
Tax on undistributed surplus earnings	11,006	2,176
Prior year income tax underestimation	2,133	3,393
Total current tax	228,461	175,976
Deferred tax:		
Origination and reversal of temporary differences	(21,539)	8,209
Total deferred tax	(21,539)	8,209
Income tax expense	$ 206,922	$ 184,185

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

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

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2025	2024
Tax calculated based on profit before tax and statutory tax rate	$ 253,128	$ 248,966
Effects from items disallowed by tax regulation	(55,505)	(67,290)
Tax-exempt income	(3,840)	(3,060)
Tax on undistributed earnings	11,006	2,176
Prior year income tax underestimation	2,133	3,393
Income tax expense	206,922	184,185
Net changes in deferred tax	21,539	(8,209)
Prior year income tax underestimation	(2,133)	(3,393)
Less: Prepaid income tax	(83,345)	(65,353)
Current income tax liabilities	$ 142,983	$ 107,230

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

	2025			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences				
Unrealised valuation loss on inventories	$ 2,198	$ 2,011	$ -	$ 4,209
Unrealised exchange loss	-	6,603	-	6,603
Others	3,552	(3,283)	-	269
	$ 5,750	$ 5,331	$ -	$ 11,081
- Deferred tax liabilities:				
Temporary differences				
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	($ 28,283)
Unrealised exchange gain	(15,413)	15,413	-	-
Others	(5,778)	795	(479)	(5,462)
	($ 49,474)	$ 16,208	($ 479)	($ 33,745)
	($ 43,724)	$ 21,539	($ 479)	($ 22,664)

	2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences				
Unrealised valuation loss on inventories	$ 5,784	($ 3,586)	$ -	$ 2,198
Others	822	2,730	-	3,552
	$ 6,606	($ 856)	$ -	$ 5,750
- Deferred tax liabilities:				
Temporary differences				
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	($ 28,283)
Unrealised exchange gain	(8,107)	(7,306)	-	(15,413)
Others	(5,319)	(47)	(412)	(5,778)
	($ 41,709)	($ 7,353)	($ 412)	($ 49,474)
	($ 35,103)	($ 8,209)	($ 412)	($ 43,724)

D. The Company has not recognised taxable temporary differences associated with investment accounted for under equity method as deferred tax liabilities. For the years ended 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 Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

(23) 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 for the year	$ 1,058,718	122,086	$ 8.67
Diluted earnings per share			
Profit for the year	$ 1,058,718		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	17,392	6,402	
Employees' compensation	-	1,162	
Profit 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 for the year	$ 1,060,644	122,086	$ 8.69
Diluted earnings per share			
Profit for the year	$ 1,060,644		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,572	1,318	
Employees' compensation	-	1,080	
Profit plus assumed conversion of all dilutive potential ordinary shares	$ 1,064,216	124,484	$ 8.55

(24) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31	
	2025	2024
Acquisition of property, plant and equipment	$ 62,098	$ 430,156
Add: Opening balance of payable on equipment	27,885	12,273
Less: Ending balance of payable on equipment	(12,091)	(27,885)
Cash paid during the year	$ 77,892	$ 414,544

(25) Changes in liabilities from financing activities

	2025		
	Lease liabilities	Bonds payable	Liabilities from financing activities - gross
At January 1	$ 22,416	$ 938,750	$ 961,166
Changes in cash flow from financing activities	(8,426)	-	(8,426)
Increase in lease liability	2,509	-	2,509
Amortisation charges on bonds	-	21,740	21,740
At December 31	$ 16,499	$ 960,490	$ 976,989

	2024			
	Short-term borrowings	Lease liabilities	Bonds payable	Liabilities from financing activities - gross
At January 1	$ 100,000	$ 29,245	$ -	$ 129,245
Changes in cash flow from financing activities	(100,000)	(7,659)	1,168,966	1,061,307
Increase in lease liability	-	830	-	830
Stock options arising from bonds	-	-	(237,781)	(237,781)
Amortisation charges on bonds	-	-	4,465	4,465
Changes in other non-cash items	-	-	3,100	3,100
At December 31	$ -	$ 22,416	$ 938,750	$ 961,166

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JPC (HK) COMPANY LIMITED (JPC (HK))	Subsidiary
CELESTA INTERNATIONAL ELECTRONICS (SHEN ZHEN) CO., LTD. (CELESTA)	Subsidiary
ASKA TECHNOLOGIES INC. (ASKA)	Subsidiary
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY (HUA -BAO)	Subsidiary
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. (HUNG FU)	Subsidiary
MAINSUPER ENTERPRISES CO., LTD. (MAINSUPER)	Subsidiary
PEC MANUFACTURING VIET NAM COMPANY LIMITED (PEC VN)	Subsidiary
JPCCO CORP. (JPCCO)	Subsidiary
ASTRON CONNECTIVITY CO., LTD. (ASTRON)	Subsidiary
JPCPT INC.	Subsidiary
JPC CONNECTIVITY CO., LTD. (JPC CONNECTIVITY)	Subsidiary
SWS GROUP COMPANY LIMITED (SWS)	Subsidiary
JBL Connectivity Company Limited	Subsidiary
APEX CONNECTIVITY LTD.	Subsidiary (Note 4)
JYH ENG TECHNOLOGY CO., LTD.	Associate
ULTRASPEED ELECTRONICS CO., LTD.	Associate (Note 3)
FSP TECHNOLOGY INC.	Other related party
Bin Fu Electronics (Shen Zhen) Co.,	Other related party (Note 1)
APEX PRECISION TECHNOLOGY CORP.	Other related party (Note 2)

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

Note 2: The chairman of APEX PRECISION TECHNOLOGY CORP. and the chairman of the Company's subsidiary, APEX CONNECTIVITY LTD., is the same person.

Note 3: In December 2025, ULTRASPEED ELECTRONICS CO., LTD. became an associate of the Company. Please refer to Note 6(8) for details.

Note 4: In November 2025, APEX CONNECTIVITY LTD. became a subsidiary of the Company. Please refer to Note 6(8) for details.

(2) Significant related party transactions

A. Operating revenue:

	Year 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 payment period of 90 days.

B. Purchases

	Year ended December 31	
	2025	2024
Purchases of goods:		
－Subsidiaries		
HUNG FU	$ 964,896	$ 611,991
HUA -BAO	394,816	469,945
PEC VN	333,389	252,152
ASKA	201,231	146,940
JPC CONNECTIVITY	160,721	27,958
CELESTA	129,943	32,974
JBL Connectivity	46,269	-
MAINSUPER	41,884	208,020
Others	3,771	2,522
－Associate	65,105	40,162
－Other related party	61,353	49,432
	$ 2,403,378	$ 1,842,096

(a) Goods are purchased from aforementioned subsidiaries based on the negotiated prices stated in the trading terms and by product categories. The payment term is 180 to 210 days after monthly billings, which is the same with third parties.

(b) Goods are purchased from associate and other related parties with a payment term of 60 to 90 days. Purchase prices are determined based on product types after taking into consideration other transaction terms

(c) The Company purchases raw materials on behalf of aforementioned subsidiaries and charges on purchase costs. Those subsidiaries subsequently commission other subsidiaries to manufacture goods for the Company to repurchase and resell. The Company does not recognize sales revenues on purchase of materials, and the receivables or payables arising from the transactions with those subsidiaries are accounted for on a net basis.

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

	Year ended December 31	
	2025	2024
Accounts payable：		
－Subsidiaries		
HUNG FU	$ 804,578	$ 624,883
HUA - BAO	629,281	670,124
ASKA	174,811	107,255
MAINSUPER	39,626	69,647
JBL Connectivity	39,400	-
CELESTA	37,428	9,911
Others	28,511	19,354
－Associate	17,276	12,587
－Other related party	21,973	14,340
	$ 1,792,884	$ 1,528,101

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Other receivables

Information on raw materials purchased and payments made on behalf of subsidiaries for the years ended December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
Other receivables:		
－Subsidiaries		
ASTRON	$ 77,507	$ 31,776
JPC CONNECTIVITY	43,654	8,403
PEC VN	34,405	56,297
Others	6,221	6,558
	$ 161,787	$ 103,034

For the years ended December 31, 2025 and 2024, the amounts of raw materials purchased on behalf of subsidiaries were $492,614 and $298,188, respectively.

F. Other payables

Information on mold purchased from subsidiaries for the years ended December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
－Subsidiaries		
HUNG FU	$ 33,020	$ 24,184
HUA - BAO	13,342	13,991
ASKA	10,357	6,799
Others	1,965	16,686
	$ 58,684	$ 61,660

G. Prepayments

Information on payments paid by the Company on behalf of subsidiaries for the years ended December 31, 2025 and 2024 is as follows:

	Year ended December 31,	
	2025	2024
－Subsidiaries		
JPC CONNECTIVITY	$ -	$ 8,860

(3) Key management compensation

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

8. Pledged Assets

The Company'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	$ 125,201	Line of credit for short-term
Investment property	-	17,437	"
Guarantee deposits paid (shown as other non- current assets)	3,113	3,113	Customs bonds
	$ 143,980	$ 145,751	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

None.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Information on the appropriations of 2025 earnings approved by the Board of Directors is provided in Note 6(17).

12. Others

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company'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 Company 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 Company's strategy was to maintain the gearing ratio under 50%.

(2) Financial instruments

A. Financial instruments by category

The Company'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

amortized cost (including cash and cash equivalents, financial assets at amortized cost, accounts receivable (including related parties), other receivables (including related parties), and certain other noncurrent assets), financial liabilities at amortized cost (including accounts payable (including related parties), other payables (including related parties), lease liabilities and contingent consideration arising from a business combination in accordance with IFRS 9. Related information is provided in Note 6 and the parent company only balance sheets.

B. Financial risk management policies

The Company'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 Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Company 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 recognized assets and liabilities.

ii. The Company's businesses involve some non-functional currency operations (the Company's functional currency is NTD). 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	$ 71,382	31.43	$ 2,243,536
RMB:NTD	25,467	4.50	114,602
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	$ 22,773	31.43	$ 715,755
RMB:NTD	372,707	4.50	1,677,182

	December 31, 2024		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 56,749	32.79	$ 1,860,800
RMB:NTD	63,200	4.48	283,136
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	$ 35,934	32.79	$ 1,178,276
RMB:NTD	234,979	4.48	1,052,706

	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%	$ 112,177	$ -
RMB:NTD	5%	5,730	-
Foreign operations			
RMB:NTD	5%	$ -	$ 94,954
USD:NTD	5%	-	71,418
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 35,788	$ -
RMB:NTD	5%	83,859	-

	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%	$ 93,040	$ -
RMB:NTD	5%	14,157	-
Foreign operations			
RMB:NTD	5%	$ -	$ 90,309
USD:NTD	5%	-	60,286
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 58,914	$ -
RMB:NTD	5%	52,635	-

iii. The total exchange (losses) gain arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2025 and 2024, amounted to ($81,825) and $15,298, respectively.

Price risk

i. The Company'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 Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares issued domestically. 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 $32,064 and $6,139, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $134,921 and $77,936, respectively, as a result of other comprehensive income on equity investment 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 Company 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 Company manages its credit risk taking into consideration the entire Company'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 Company's credit policy, the Company is responsible for managing and analysing the credit risk for each of the 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	Accounts receivable
Not past due	$ 1,307,147	$ 866,430
Up to 90 days	37,013	44,991
91 to 180 days	3,031	176
181 to 270 days	4,773	-
271 to 360 days	-	2,268
	$ 1,351,964	$ 913,865

The above ageing analysis was based on past due date.

v. The Company 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 Company 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	1 to 90 days	91 to 180 days	181 to 270 days	271 to 360 days	Total
Expected loss rate	100%	0.0708%	2.2289%	7.42%	11.00%	-	
Total book value	$ -	$1,307,147	$ 37,013	$ 3,031	$ 4,773	$ -	$1,351,964
Loss allowance	$ -	$ 925	$ 825	$ 225	$ 525	$ -	$ 2,500

		Group					
December 31, 2024	Individual	Not past due	1 to 90 days	91 to 180 days	181 to 270 days	271 to 360 days	Total
Expected loss rate	100%	0.0779%	1.1269%	32.39%	-	55.60%	
Total book value	$ -	$ 866,430	$ 44,991	$ 176	$ -	$ 2,268	$ 913,865
Loss allowance	$ -	$ 675	$ 507	$ 57	$ -	$ 1,261	$ 2,500

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

	Accounts receivable	
	2025	2024
At January 1	$ 2,500	$ 3,240
Provision for (reversal of) impairment loss	-	(740)
At December 31	$ 2,500	$ 2,500

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. The Company monitors and manages liquidity requirements using the cash flow forecasting. The Company uses its cash positions and borrowing facilities to ensure it has sufficient working capital and repayment abilities so that the Company does not breach any commitments or contracts.

ii. As at December 31, 2025 and 2024, the Company held money market position of $935,628 and $786,019, respectively, which are expected to readily generate cash inflows for managing liquidity risk.

iii. The Company'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. 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	$ 9,101	$ 7,515	$ 348	$ 16,964
Bonds payable	-	1,000,000	-	1,000,000
	$ 9,101	$1,007,515	$ 348	$1,016,964

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 8,236	$ 8,031	$ 6,588	$ 22,855
Contingent consideration	101,649	-	-	101,649
	$ 109,885	$ 8,031	$ 6,588	$ 124,504

Except for those listed in the table below, the Company's non-derivative financial liabilities (including short-term borrowings, accounts payable (including related parties) 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. The fair value of the shares of listed and emerging companies invested by the Company 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 Company'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(10).

C. Fair value information of financial instruments: Except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and contingent consideration payable arising from a business combination, financial instruments not measured at fair value are described in Note 12(2).

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, accounts receivable (including related parties), other receivables (including related parties), notes payable, accounts payable (including related parties) and other payables (including related parties) 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
Private equity fund investment	-	-	128,836	128,836
Call options of the convertible bonds issued	-	700	-	700
Financial assets at fair value through other comprehensive income				
Equity securities	566,436	-	108,171	674,607
	$ 566,436	$ 700	$ 268,492	$ 835,628

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
Call options of the convertible bonds issued	-	2,300	-	2,300
Financial assets at fair value through other comprehensive income				
Equity securities	290,495	-	99,183	389,678
	$ 290,495	$ 10,930	$ 129,880	$ 431,305
Liabilities				
Recurring fair value measurements				
Contingent consideration (shown as other payables and other current liabilities)	$ -	$ -	$ 99,474	$ 99,474

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

i. The instruments the Company 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 assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

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 securitized instruments. Certain inputs used in the valuation model are not observable at market, and the Company 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 valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate. Structured interest derivative instruments are measured by using appropriate option pricing models (i.e. Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

vi. The fair value of contingent consideration arising from 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 based on 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 Company'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 Company'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 Company 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 Company'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 instrument	Contingent consideration	Equity instrument	Contingent consideration
At January 1	$ 129,880	$ 99,474	$ 115,202	$ 162,146
Gains and losses recognized in profit or loss	12,340	-	1,355	-
Recorded as unrealised gains on valuation of investments in equity instruments measured at fair value through other comprehensive	8,988	-	7,323	-
Acquired during the year	117,560	-	6,000	-
Investment cost return	(276)	-	-	-
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	$ 268,492	$ -	$ 129,880	$ 99,474

H. Treasury segment is in charge of valuation procedures for fair value measurements being categorized 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.

I. 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 instrument:					
Unlisted shares	$108,171	Discounted cash flow	Weighted Average Cost of Capital	14%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, 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 instrument:					
Unlisted shares	$ 99,183	Discounted cash flow	Weighted Average Cost of Capital	16%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Limited partnership	30,697	Net asset value	N/A	-	N/A
Non-derivative equity instrument:					
Contingent consideration	99,474	Discounted cash flow	Discount rate	11.22%	The higher the discount rate, the lower the fair value
			Based on the terms of individual contracts	N/A	Based on the terms of individual contracts

J. The Company 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 categorized within Level 3 if the inputs used to valuation models have changed:

			December 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ -	$ -	$ 1,082	$ 1,082

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ -	$ -	$ 992	$ 992

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 table 2, 3 and 4.

14. Operating Segment Information

None.

JPC Connectivity Inc.

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.

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.

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.

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.

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.

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.

JPC CONNECTIVITY INC.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 1

Item	Description				Amount
Petty cash and cash on hand					$ 1,245
Bank deposits					
Demand deposits					145,673
Foreign currency deposits	USD	21,298	thousand, exchange rate	31.430	689,197
	RMB	824	thousand, exchange rate	4.496	3,705
	All other currencies				1,518
Time deposits					94,290
					$ 935,628

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JPC CONNECTIVITY INC.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 2

Client Name	Amount	Note
Client H	$ 330,483	
Client C	209,456	
Client O	121,754	
Client M	96,289	
Client P	82,143	
Others	511,839	None of the balances of each remaining client is greater than 5% of this account balance
	1,351,964	
Less: Allowance for bad debts	(2,500)	
	$ 1,349,464	

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JPC CONNECTIVITY INC.
STATEMENT OF INVENTORIES
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 3

Item	Description	Amount		Note
		Cost	Net Realisable Value	
Raw materials and supplies		$ 90,112	$ 98,112	Use net realisable value as market price
Work in progress		25,753	25,753	"
Finished goods		165,464	247,352	"
Merchandise inventory		604	2,466	"
		281,933	$ 373,683	
Less: Allowance for inventory valuation loss		(21,050)		
		$ 260,883		

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JPC CONNECTIVITY INC.
STATEMENT OF MOVEMENT IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 4

Name of investee	Beginning Balance		Investment Income (Loss)	Addition (Note 1)		Decrease		Ending Balance			Market Value or Net Assets Value		Collateral	Note
	Shares in thousands	Amount	Amount	Shares in thousands	Amount	Shares in thousands	Amount	Shares in thousands	Ownership (%)	Amount	Unit Price	Total Amount		
BEST LINK PROPERTIES LTD.	29,200	$ 2,295,203	$ 92,655	-	$ 14,043	(2,431)	($ 75,270)	26,769	100%	$2,326,631	$ -	$ 2,326,631	None	
CHA SHIN CHI INVESTMENT CO., LTD.	28,000	382,242	11,616	-	9,672	-	(36,972)	28,000	100%	366,558	-	366,558	〃	
MAINSUPER ENTERPRISES CO., LTD.	1,500	82,773	6,791	-	1,218	-	(42,421)	1,500	100%	48,361	-	48,361	〃	
TECHILL CO., LTD.	1,275	21,357	436	-	-	-	-	1,275	51%	21,793	-	21,793	〃	
SWS GROUP COMPANY LIMITED	198	65,658	2,136	1.5	2,997	-	-	199.5	49.87%	70,791	-	70,791	〃	
Ultraspeed Electronics Co., Ltd.	1,093	11,938	1,668	-	996	-	-	1,093	29.19%	14,602	-	14,602	〃	
ASTRON Connectivity Co., Ltd.	1,020	85,042	61,665	2,193	-	-	(35,700)	3,213	51%	111,007	-	111,007	〃	
JPCPT INC.	10	551,668	120,501	-	-	-	(6,212)	10	100%	665,957	-	665,957	〃	
JPC Connectivity Co., Ltd.	111,394,000	142,859	(12,290)	178,721,000	192,670	-	(12,840)	290,115,000	100%	310,399	-	310,399	〃	
JS Connectivity Co., Ltd.	25	5,352	(96)	-	-	-	(532)	25	49%	4,724	-	4,724	〃	
JUN CHEN GLOBAL Co.,Ltd.	2,800	91,309	(1,527)	-	-	-	(4,705)	2,800	40%	85,077	-	85,077	〃	
APEX connectivity Ltd.	1,470	12,665	(339)	60	811	-	-	1,530	51%	13,137	-	13,137	〃	
JBL Connectivity Co.,Ltd.	3,675	15,328	4,758	-	-	-	(606)	3,675	49%	19,480	-	19,480	〃	
		$ 3,763,394	$ 287,974		$ 222,407		($ 215,258)			$4,058,517		$ 4,058,517		

(Note 1) The additions for the year arose from investment increase, receipt of share dividends, currency translation differences and unrealised gains on financial assets measured at fair value through other comprehensive income.

(Note 2) The decreases for the year arose from cash capital reduction, earnings distribution, currency translation differences.

JPC CONNECTIVITY INC.
STATEMENT OF ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)
DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 5

Supplier Name	Amount	Note
Non-related party		
Client B	$ 107,620	
Client D	60,636	
Client J	50,222	
Client L	43,519	
Client M	29,429	
Client Y	26,790	
Others	126,865	None of the balances of each remaining supplier is greater than 5% of this account balance
	$ 445,081	
Related party		
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	$ 804,578	
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	629,281	
ASKA TECHNOLOGIES INC.	174,811	
Others	184,214	None of the balances of each remaining supplier is greater than 5% of this account balance
	$ 1,792,884	

JPC CONNECTIVITY INC.
STATEMENT OF BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 6

Bonds Name	Trustee	Release date	term	Interest payment date	interest rate	Amount					guarantee situation	Note
						Total Issued	Amount of repayment	Ending balance	Unamortized Discount	Carrying amount		
The third domestic unsecured convertible bonds	Yuanta Securities Co., Ltd.	2024/10/15	three years	Note	0%	$ 1,000,000	$ -	$ 1,000,000	($ 39,510)	$ 960,490	None	

Note: The coupon rate of the convertible bonds was 0%. Therefore, it was not required to set the interest payment date.

JPC CONNECTIVITY INC.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 7

Item	Volume (In Thousands)	Amount	Note
Datacenter/Networking/Telecom	34,796	$ 3,525,185	
Smart Connection Industry	73,247	1,307,203	
Internet of Things	169	108,659	
Others	410	7,815	
		$ 4,948,862	

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JPC CONNECTIVITY INC.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 8

	Amount
Beginning raw materials and supplies	$ 48,469
Add: Raw materials and supplies purchased for the year	510,399
Less: Loss on physical inventory	(23)
Ending raw materials and supplies	(90,112)
Transfers to expenses (Note 1)	(5,214)
Scrapping	-
Raw materials used for the year	463,519
Direct labor	41,569
Manufacturing expense	30,311
Manufacturing cost for the year	535,399
Add: Beginning work in progress	35,551
Less: Ending work in progress	(25,753)
Cost of finished goods for the year	545,197
Add: Beginning finished goods	137,594
Finished goods purchased	2,783,738
Less: Ending finished goods	(165,464)
Transfers to expenses (Note 1)	(10,447)
Loss on physical inventory	(2)
Scrapping	-
Cost of goods manufactured and sold	3,290,616
Beginning merchandise inventory	4,111
Add: Merchandise inventory purchased for the year	14,539
Gain on physical inventory	-
Less: Ending merchandise inventory	(604)
Transfers to expenses (Note 1)	(210)
Scrapping	-
Cost of goods purchased and sold	17,836
Cost of goods sold	3,308,452
Allowance for valuation loss on inventories	10,055
Revenue from sale of scraps	-
Loss on physical inventory	25
Operating costs	$ 3,318,532

(Note 1) It refers to the transfers from sample expenses to raw materials for research and development used.

JPC CONNECTIVITY INC.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 9

Item	Amount	Note
Wages and salaries	$ 133,890	
Sales service fee	21,684	
Sample expenses	13,494	
Others	103,633	None of the balances of each remaining item is greater than 5% of this account balance
	$ 272,701	

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JPC CONNECTIVITY INC.
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 10

Item	Amount	Note
Wages and salaries	$ 94,245	
Depreciation charge	13,760	
Professional service expenses	11,276	
Insurance fee	9,024	
Others	45,863	None of the balances of each remaining item is greater than 5% of this account balance
	$ 174,168	

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JPC CONNECTIVITY INC.
STATEMENT OF RESEARCH DEVELOPMENT EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 11

Item	Amount	Note
Wages and salaries	$ 79,122	
Depreciation charge	29,438	
Sample expenses	9,585	
Others	24,930	None of the balances of each remaining item is greater than 5% of this account balance
	$ 143,075	

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JPC CONNECTIVITY INC.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION

FOR THE YEAR ENDED DECEMBER 31, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

	Year ended December 31, 2025			Year ended December 31, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense						
Wages and salaries	$ 41,569	$ 307,257	$ 348,826	$ 46,680	$ 326,094	$ 372,774
Labour and health insurance fees	2,543	22,211	24,754	2,709	20,177	22,886
Pension costs	1,077	11,676	12,753	1,326	9,475	10,801
Directors' emoluments	-	7,920	7,920	-	5,400	5,400
Other employee benefit expense	2,066	9,615	11,681	2,592	8,716	11,308
	$ 47,255	$ 358,679	$ 405,934	$ 53,307	$ 369,862	$ 423,169
Depreciation	$ 2,921	$ 49,094	$ 52,015	$ 6,305	$ 36,990	$ 43,295
Amortisation	$ 60	$ 3,575	$ 3,635	$ 50	$ 5,613	$ 5,663

Note:

1. As at December 31, 2025 and 2024, the average number of employees per quarter were 270 and 274, including 8 and 8 non-employee directors, respectively.
2. Average employee benefit expense for the years ended December 31, 2025 and 2024 were $1,519 and $1,571, respectively.
3. Average employee salaries for the years ended December 31, 2025 and 2024 were $1,331 and $1,401, respectively, and the adjustment of average employee salaries was -5.0%
4. The Company had no supervisors' remuneration for the years ended December 31, 2025 and 2024 as the Company has set up an audit committee.

JPC CONNECTIVITY INC.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)

FOR THE YEAR ENDED DECEMBER 31, 2025

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

5. Salary and Compensation Policy:

(1) Directors and managers: The Company pays directors' remuneration from earnings distribution in accordance with the Articles of Incorporation of the Company. The Company's remuneration committee regularly assesses and determines the directors' and managers' salaries and remuneration based on a comprehensive consideration of the Company's profitability, directors' and managers' education and work experience, performance, seniority and professional expertise and by reference to the general pay levels in the same industry. The directors' and mangers' salaries and remuneration are reviewed by the remuneration committee and approved by the directors.

(2) Employees: The Company determines the employees' salaries based on the semi-annual employee performance evaluations, and each employee's position, education and work experience, seniority and work performance, and the salaries are adjusted in time to the market situation. Also, the Company offers good welfare, education and training, and enacts a set of work rules, covering recruitment, promotion and retirement, pursuant to the Labour Standards Act and related laws and regulations and approved by the Department of Labor, Taipei City Government. The Company has maintained a harmonious employer and employee relationship since the incorporation. In order for the harmonious employer and employee relationship to continue, all of the Company's management pays attention to the communication channels between employer and employees.