Stock Code: 6449

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2025 and 2024

Address: 4F., No.2 & 6, Kedong 3rd Rd., Chunan Township, Miaoli County
Tel:(037)777-588

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Declaration

In year 2025 (from January 1 to December 31, 2025), pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the Company's entities that shall be included in preparing the Consolidated Financial Statements for Affiliates and the Parent-Subsidiary Consolidated Financial Statements for International Financial Reporting Standards (IFRS) 10 are the same. Moreover, the disclosure information required for the Consolidated Financial Statements for Affiliates has been fully disclosed in the aforementioned Parent-Subsidiary Consolidated Financial Statements; hence, a separate Consolidated Financial Statements for Affiliates will not be prepared.

Sincerely,

Company Name: APAQ TECHNOLOGY CO., LTD.

Chairman: Cheng, Duen-Jen

March 4, 2026

Independent Auditors' Report

To the Board of Directors of APAQ TECHNOLOGY CO., LTD.

Opinions

We have audited the accompanying consolidated balance sheet of APAQ TECHNOLOGY CO., LTD. and its subsidiaries (the "Group") as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and notes to consolidated financial statements,including a summary of significant accounting policies.

In our opinion, based on our audits and the audit reports of other independent accountants, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) as endorsed by the Financial Supervisory Commission (FSC).

Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibilities under those standards are further described in the section titled Auditor's Responsibilities for the Audit of the Consolidated Financial Statements. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 consolidated financial statements for the year ended December 31, 2025. These matters were addressed in our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not express a separate opinion on these matters. Key audit matters for the Group's financial statements of the current period are stated as follows:

Inventory assessment

For accounting policies related to inventory assessment, please refer to Note IV(VIII) Inventory of the financial statements. For accounting estimates and assumption uncertainty for inventory assessment, please refer to Note V of the consolidated financial statements. Relevant details can be found in Note VI(V) Net inventory.

Description of key audit matters:

Since inventory is measured by the lower of cost and net realizable value, companies need to employ judgments and estimates to determine the net realizable value of inventory on the reporting date. Due to the rapid evolution in technology, the net realizable value fluctuates and potentially leads to significant changes. Therefore, the assessment for the allowance for price decline in inventories is one of the important evaluation items for the accountant when auditing the Group's consolidated financial statements.

How our audit addressed the matter:

Our main audit procedure for the aforementioned key matters includes evaluating the rationality of the management's policies concerning providing allowances for inventory valuation and obsolescence, obtaining the inventory aging report and checking the completeness with general ledger, performing sampling test to verify that the inventory has been placed in the appropriate interval of the inventory aging report, understanding the management's strategy for calculating the net realizable value and checking relevant documents and evaluating the rationality, and assessing whether the inventory evaluation has been implemented in accordance with the established accounting policies.

Other Matters

We have audited and expressed an unqualified opinion with other matter sections on the parent company only financial statements of APAQ TECHNOLOGY CO., LTD. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) as endorsed by the Financial Supervisory Commission (FSC), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 auditing standards will always detect a material misstatement when it exists. Misstatement may arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards, we maintain professional skepticism throughout the audit. We also peform the following tasks:

I. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

V. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VI. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of 2025 and are therefore the key audit matters. We describe these matters in our auditor's 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.

KPMG Taiwan

Certified public accountants	:	
Securities Competent Authority Approval No.	:	Jin-Guan-Zheng-Shen-Zi No. 1040007866 Jin-Guan-Zheng-Shen-Zi No. 1020002066

March 4, 2026

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Balance Sheet

For the years ended December 31, 2025 and 2024

Unit: NT$ thousands

Code	Assets	2025.12.31 Amount	%	2024.12.31 Amount	%
	Current assets:				
1100	Cash and cash equivalents [Note VI(I)]	$ 1,760,348	20	1,541,797	22
1110	Financial assets at fair value through profit or loss - current [Note VI(II)]	46,416	1	47,079	1
1150	Notes receivable [Note VI(IV)]	32,676	-	49,086	1
1170	Accounts receivable [Note VI(IV)]	1,789,686	21	1,500,079	22
1180	Accounts receivable - related parties [Notes VI(IV) & VII]	45,163	1	73,360	1
1310	Inventories, net [Note VI(V)]	907,260	10	728,218	10
1479	Other current assets [Note VI(XI)]	113,401	1	125,678	2
		4,694,950	54	4,065,297	59
	Non-current assets:				
1510	Financial assets at fair value through profit or loss - non-current [Note VI(II)]	145,708	2	5,409	-
1517	Financial assets at fair value through other comprehensive income - non-current [Note VI(III)]	1,536,710	17	1,028,200	15
1550	Investments accounted for under equity method [Note VI(VI)]	58,180	1	59,077	1
1600	Property, plant and equipment [Note VI(VIII)]	1,898,972	21	1,437,947	21
1755	Right-of-use assets [Note VI(IX) and (XIV)]	133,031	2	78,343	1
1780	Intangible assets [Note VI(X)]	82,775	1	76,115	1
1840	Deferred income tax assets [Note VI(XVI)]	45,455	1	46,246	1
1920	Refundable deposits	11,482	-	11,140	-
1990	Other non-current assets [Note VI(XI)]	85,164	1	50,572	1
		3,997,477	46	2,793,049	41
	Total assets	**$ 8,692,427**	**100**	**6,858,346**	**100**

Code	Liabilities and Equity	2025.12.31 Amount	%	2024.12.31 Amount	%
	Current liabilities:				
2100	Short-term loans [Note VI(XII)]	$ 2,150,000	25	1,420,000	21
2170	Accounts payable	679,289	9	527,553	8
2180	Accounts payable - related parties [Note VII]	943	-	10,303	-
2201	Payroll and bonus payable	228,974	3	191,576	3
2213	Payable on equipment	91,470	1	36,175	-
2280	Lease liabilities - current [Note VI(XIV)]	32,100	-	25,480	-
2322	Long-term loans due within one year or one operating cycle [Note VI(XIII)]	195,635	1	158,634	2
2399	Other current liabilities	273,014	3	243,709	4
		3,651,425	42	2,613,430	38
	Non-current liabilities:				
2540	Long-term loans [Note VI(XIII)]	44,050	1	152,185	2
2570	Deferred tax liabilities [Note VI(XVI)]	9,785	-	11,050	-
2580	Lease liabilities - non-current [Note VI(XIV)]	91,661	1	42,921	1
		145,496	2	206,156	3
	Total Liabilities	3,796,921	44	2,819,586	41
	Equity [Note VI (XVII)]:				
3100	Share capital	919,185	10	889,535	13
3200	Capital surplus	1,107,002	13	768,527	11
3300	Retained earnings	2,037,661	23	1,704,124	25
3400	Other equity	775,995	9	598,662	9
3500	Treasury shares	(40,374)	-	(40,374)	(1)
	Total equity attributable to owners of the parent company	4,799,469	55	3,920,474	57
36XX	Non-controlling interests [Note VI(XVII)]	96,037	1	118,286	2
	Total equity	4,895,506	56	4,038,760	59
	Total liabilities and equity	**$ 8,692,427**	**100**	**6,858,346**	**100**

(See the attached notes to consolidated financial statements)

Chairman: Cheng, Duen-Jen **Manager: Lin, Shi-Dong** **Accounting Manager: Li, Pei-Ling**

APAQ TECHNOLOGY CO., LTD. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years ended December 31, 2025 and 2024

Unit: NT$ thousands

		2025		2024	
		Amount	**%**	**Amount**	**%**
4110	Net sales revenue [Notes VI(XX) & VII]	$ 4,474,668	100	3,495,668	100
5110	Cost of goods sold [Notes VI(V), (VIII), (IX), (XVIII), (XXI) & VII]	2,923,830	65	2,450,424	70
5950	**Gross profit**	1,550,838	35	1,045,244	30
6000	Operating expenses [Notes VI(VIII), (IX), (XIV), (XVIII), (XXI) & VII]:				
6100	Selling expenses	206,714	5	149,964	4
6200	Administrative expenses	347,244	8	219,410	7
6300	Research and development expenses	166,325	4	150,125	4
	Total operating expenses	720,283	17	519,499	15
6900	**Operating income**	830,555	18	525,745	15
7000	**Non-operating income and expenses:**				
7020	Other gains and losses [Notes VI(II), (VII), & (XXII)]	33,018	1	47,854	2
7050	Finance costs [Notes VI(XIV) & (XXII)]	(42,853)	(1)	(31,322)	(1)
7100	Interest income [Notes VI(XXII)]	37,301	1	34,125	1
7230	Foreign exchange gain (loss) [Note VI(XXIII)]	(43,544)	(1)	111,487	3
7370	Share of profit or loss of associates accounted for under equity method [Note VI(VI)]	3,875	-	(4,893)	-
	Non-operating income and expenses, net	(12,203)	-	157,251	5
7900	**Income before income tax**	818,352	18	682,996	20
7950	Less: Income tax expense [Note VI(XVI)]	196,328	4	171,181	5
	Net income for the period	622,024	14	511,815	15
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss**				
8316	Unrealized valuation gains (losses) from investments in equity instruments at fair value through other comprehensive income	448,491	10	561,561	16
	Total of items that may not be reclassified subsequently to profit or loss	448,491	10	561,561	16
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Financial statements translation differences of foreign operations	(47,366)	(1)	140,504	4
8399	Income tax related to items that may be reclassified [Note VI(XVI)]	9,473	-	(28,101)	1
	Total of items that may be reclassified subsequently to profit or loss	(37,893)	(1)	112,403	3
8300	**Other comprehensive income, net of tax**	410,598	9	673,964	19
8500	**Total comprehensive income for the year**	$ 1,032,622	23	1,185,779	34
	Net income attributable to:				
8610	Owners of the parent company	$ 648,680	15	534,394	16
8620	Non-controlling interests	(26,656)	(1)	(22,579)	(1)
		$ 622,024	14	511,815	15
	Total comprehensive income attributable to:				
8710	Owners of the parent company	$ 1,059,278	24	1,208,358	35
8720	Non-controlling interests	(26,656)	(1)	(22,579)	(1)
		$ 1,032,622	23	1,185,779	34
	Earnings per share (Unit: NT$) [Note VI(XIX)]				
9750	Basic earnings per share	$	7.38		6.08
9850	Diluted earnings per share	$	7.25		6.04

(See the attached notes to consolidated financial statements)

Chairman: Cheng, Duen-Jen **Manager: Lin, Shi-Dong** **Accounting Manager: Li, Pei-Ling**

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Years ended December 31, 2025 and 2024

Unit: NT$ thousands

			Retained earnings				Other equity items							
	Share capital - common shares	**Capital surplus**	**Legal Reserve**	**Special Reserve**	**Unappropriated retained earnings**	**Total**	**Financial statements translation differences of foreign operations**	**Gains (losses) on investment in equity instruments at fair value through other comprehensive income**	**Unearned share-based employee compensation**	**Total**	**Treasury shares**	**Total equity attributable to owners of the parent company**	**Non-controlling interests**	**Total equity**
Balance as of January 1, 2024	$ 889,535	768,493	230,596	50,087	1,091,340	1,372,023	(102,070)	26,768	-	(75,302)	(40,374)	2,914,375	-	2,914,375
Net income for the period	-	-	-	-	534,394	534,394	-	-	-	-	-	534,394	(22,579)	511,815
Other comprehensive income for the period	-	-	-	-	-	-	112,403	561,561	-	673,964	-	673,964	-	673,964
Total comprehensive income for the year	-	-	-	-	534,394	534,394	112,403	561,561	-	673,964	-	1,208,358	(22,579)	1,185,779
Earnings appropriation and distribution:														
Appropriation of legal reserve	-	-	41,841	-	(41,841)	-	-	-	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	25,216	(25,216)	-	-	-	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(202,293)	(202,293)	-	-	-	-	-	(202,293)	-	(202,293)
Exercise of disgorgement	-	34	-	-	-	-	-	-	-	-	-	34	-	34
Non-controlling interests originated from business combination	-	-	-	-	-	-	-	-	-	-	-	-	140,865	140,865
Balance as of December 31, 2024	889,535	768,527	272,437	75,303	1,356,384	1,704,124	10,333	588,329	-	598,662	(40,374)	3,920,474	118,286	4,038,760
Net income (loss) for the period	-	-	-	-	648,680	648,680	-	-	-	-	-	648,680	(26,656)	622,024
Other comprehensive income for the period	-	-	-	-	-	-	(37,893)	448,491	-	410,598	-	410,598	-	410,598
Total comprehensive income for the year	-	-	-	-	648,680	648,680	(37,893)	448,491	-	410,598	-	1,059,278	(26,656)	1,032,622
Earnings appropriation and distribution:														
Appropriation of legal reserve	-	-	53,439	-	(53,439)	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(75,303)	75,303	-	-	-	-	-	-	-	-	-
Cash dividends of common shares	-	-	-	-	(316,633)	(316,633)	-	-	-	-	-	(316,633)	-	(316,633)
Share-based payment transactions	29,650	338,475	-	-	-	-	-	-	(231,775)	(231,775)	-	136,350	-	136,350
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	4,407	4,407
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	1,490	1,490	-	(1,490)	-	(1,490)	-	-	-	-
Balance as of December 31, 2025	**$ 919,185**	**1,107,002**	**325,876**	**-**	**1,711,785**	**2,037,661**	**(27,560)**	**1,035,330**	**(231,775)**	**775,995**	**(40,374)**	**4,799,469**	**96,037**	**4,895,506**

(See the attached notes to consolidated financial statements)

Chairman: Cheng, Duen-Jen **Manager: Lin, Shi-Dong** **Accounting Manager: Li, Pei-Ling**

APAQ TECHNOLOGY CO., LTD. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years ended December 31, 2025 and 2024

Unit: NT$ thousands

		2025	2024
Cash flows from operating activities:			
Income before income tax for the period	$	818,352	682,996
Adjustments:			
Income and expense items:			
Depreciation		261,352	255,991
Amortization		6,588	4,969
Loss (gain) on valuation of financial assets at fair value through profit or loss		(34,254)	1,338
Interest expense		42,853	31,322
Interest income		(37,301)	(34,125)
Dividend income		(19,647)	(1,621)
Loss on market value decline and obsolete and slow-moving inventories		12,490	41,966
Compensation cost of share-based payment		136,350	-
Share of loss (profit) of associates accounted for under equity method		(3,875)	4,893
Loss (gain) on disposal of property, plant, and equipment		28,488	(226)
Gain on disposal of investments		(6,130)	(31,076)
Gain on lease modification		(135)	-
Other expenses and losses not affecting cash flows		131	2,574
Total income and expense items		386,910	276,005
Changes in operating assets and liabilities:			
Notes and accounts receivable (including related parties)		(247,349)	(330,210)
Inventories		(197,486)	(85,430)
Other operating assets		13,154	(67,528)
Accounts payable (including related parties)		145,996	207,493
Other operating liabilities		77,327	89,308
Total adjustments		178,552	89,638
Cash generated from operations		996,904	772,634
Interest received		36,424	33,881
Dividends received		19,647	1,621
Interest paid		(42,379)	(30,556)
Income tax paid		(207,030)	(114,347)
Net cash inflow from operating activities		803,566	663,233
Cash flows from investing activities:			
Acquisition of financial assets at fair value through profit or loss - current		(50,349)	(18,051)
Disposal of financial assets at fair value through profit or loss - current		80,967	-
Proceeds from capital reduction of financial assets measured at fair value through other comprehensive income		9,806	6,318
Acquisition of financial assets at fair value through profit or loss – non-current		(136,000)	(6,000)
Acquisition of financial assets at fair value through other comprehensive income – non-current		(71,640)	(260,000)
Disposal of financial assets at fair value through other comprehensive income - non-current		1,815	-
Acquisition of investments accounted for under equity method		-	(9,342)
Disposal of investments accounted for under equity method		-	2,202
Net cash inflow from acquisition of subsidiaries		-	66,295
Acquisition of property, plant and equipment		(666,719)	(236,565)
Disposal of property, plant and equipment		1,030	3,930
Decrease (increase) in refundable deposits		(357)	21,191
Acquisition of intangible assets		(2,662)	(2,534)
Increase in other non-current assets		(4,480)	(5,148)
Increase in prepayments for business facilities		(43,105)	(24,495)
Net cash outflow from investing activities		(881,694)	(462,199)
Cash flows from financing activities:			
Increase in short-term loans		1,476,000	1,680,000
Repayment of short-term loans		(746,000)	(1,097,000)
Increase in long-term loans		100,000	-
Repayments of long-term loans		(171,134)	(151,681)
Exercise of disgorgement		-	34
Repayment of lease principal		(28,239)	(27,877)
Cash dividends paid		(316,633)	(202,293)
Net cash inflow from financing activities		313,994	201,183
Effect of exchange rate changes		(17,315)	15,406
Increase in cash and cash equivalents		218,551	417,623
Cash and cash equivalents, beginning of the year		1,541,797	1,124,174
Cash and cash equivalents, end of the year	$	**1,760,348**	**1,541,797**

(See the attached notes to consolidated financial statements)

Chairman: Dr. DJ Zheng **Manager: Shi-Dong Lin** **Accounting Manager: Pei-Ling Li**

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2025 and 2024

(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

I. Company History

APAQ TECHNOLOGY CO., LTD. (hereinafter referred to as the "Company") was established on December 23, 2005 with the registered address at 4F., No. 2 and 6, Kedong 3rd Rd., Zhunan Township, Miaoli County. The Company's shares have been listed and traded at TWSE since December 9, 2014.

The core business of the Company and its subsidiaries (hereinafter referred to as the "Group") focuses on the research, development, manufacturing and sales of electronic components. The Group primarily engages in production of super small size, high-temperature resistant, long-lifespan, low ESR electrolytic capacitors, and development and manufacture of high voltage capacitors, chip capacitors, organic semiconductor solid capacitors, and high energy storage capacitors in response to customers' requirements.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were approved and issued on March 4, 2026, by the Board of Directors.

III. Application of New and Amended Standards and Interpretations

(I) Impact of adopting newly issued or amended standards and interpretations endorsed by the Financial Supervisory Commission (referred to as "FSC")

Since January 1, 2025, the Group has adopted below newly amended IFRSs which does not have a material impact on the consolidated financial statements.

- Amendments to IAS 21 "Lack of Exchangeability"

(II) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

The Group has evaluated that the aforementioned amendments effective on January 1, 2026, do not have a material impact on the consolidated financial statements.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

(III) Newly issued and amended standards and interpretations yet to be endorsed by the FSC

Standards and interpretations issued and amended by the IASB, but not yet endorsed by the FSC which may be relevant to the Group are as follows:

New or amended standards	Major amendments	Effective date by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined "operating profit" subtotal and a requirement for all income and expenses to be allocated between three new	January 1, 2027 Note: The FSC issued a press release on September 25, 2025 to declare that Taiwan will align with IFRS 18 since the fiscal year of 2028. Entities that require to apply in advance may elect to apply in advance after FSC's endorsement.

New or amended standards	Major amendments	Effective date by IASB
	distinct categories based on a company's main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS accounting standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	

The Group continues to evaluate the impact of the aforementioned standards and interpretations on the financial position and financial performance; the relevant impact will be disclosed upon completion of the assessment.

The Group has evaluated that the other standards released and amended but not yet endorsed as follows do not have a material impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and Amendments to IFRS 19
- Amendments to IAS21 "The Effects of Changes in Foreign Exchange Rates"

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (hereinafter referred to as the "Preparation Regulations" and IFRS, IAS, IFRIC interpretations and SIC interpretations endorsed and issued into effect by the Financial Supervisory Commission, Executive Yuan (hereinafter referred to as "IFRSs").

(II) Preparation basis

1. Basis of measurement

   Except for the financial assets measured at fair value through other comprehensive income, the consolidated financial statements have been prepared under the historical cost convention.

   (1) Financial assets measured at fair value through profit or loss in accordance with fair value measurement;

   (2) Financial assets measured at fair value through other comprehensive income in accordance with fair value measurement;

2. Functional currency and presentation currency

   The Group takes the currency of the primary economic environment in which each entity operates as the functional currency. The Consolidated Financial Statements are presented in the New Taiwan dollar, the Company's functional currency. The unit for all amounts expressed are in thousands of NTD unless otherwise stated.

(III) Basis of consolidation

1. Basis for preparation of consolidated financial statements

   All subsidiaries are included in the consolidated financial statements. Subsidiaries are all entities controlled by the Company.

   The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

   Consolidation of subsidiaries begins from the date the Company obtains control of the subsidiaries and ceases when the Company loses control of the subsidiaries. Inter-company transactions, balances and unrealized gains or losses on transactions between entities within the consolidated companies are eliminated while compiling the consolidated financial statements.

Accounting policies of subsidiaries have been adjusted so that they are consistent with that of the Group.

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.

2. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiaries	Business Activities	Percentage of Ownership 2025.12.31	Percentage of Ownership 2024.12.31	Note
The Company	APAQ Investments Limited (APAQ Samoa)	Investment holding company	100%	100%	
APAQ Samoa	Apaq Technology (Wuxi) Co., Ltd. (Apaq Wuxi)	Production and sales of electronic products	100%	100%	
The Company	APAQ Technology (Hubei) Co., Ltd. (APAQ Hubei)	Production and sales of electronic products	100%	100%	
The Company	AiPAQ Technology Co., Ltd (AiPAQ Technology)	Research and development, and sales of electronic products	52%	52%	Note 1
The Company	APAQ Technology (Thailand) Co., Ltd. (APAQ Thailand)	Production and sales of electronic products	99.99%	- %	Note 2

Note 1: The Group acquired control over the company on February 15, 2024, and included the company into the consolidated financial statements since that day.

Note 2: The Group established the subsidiary jointly with a natural person on June 3, 2025, and included the company into the consolidated financial statements since that day.

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

(IV) Foreign currency

1. Foreign currency transaction

   Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary items are converted into functional currency at the end of each subsequent date of financial reporting (hereinafter referred to as the reporting date) at the exchange rate on that day.

   Foreign currency items measured at fair value are re-translated into functional currency according to the exchange rate on the date of fair value, and foreign currency non-currency items measured through historical cost will be translated according to the exchange rate on the date of transaction.

   Foreign currency exchange differences arising from conversion are generally recognized in profit or loss, but equity instruments designated as fair value through other comprehensive income are recognized in other comprehensive income.

2. Foreign operations

   Assets and liabilities of foreign operations are converted to NTD (representation currency of the consolidated financial statements) at the exchange rate on the reporting date. All income and expense items are converted to NTD at the current average exchange rate, and the difference is recognized as other comprehensive income.

(V) Classification of current and non-current items

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

1. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
2. Assets held mainly for trading purposes;
3. Assets that will be realized within twelve months from the balance sheet date; or
4. Cash and cash equivalents (as defined in IAS7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period .

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

1. Liabilities that are expected to be paid off within the normal operating cycle;
2. Liabilities arising mainly from trading activities;
3. Liabilities that are to be paid off within twelve months from the balance sheet date; or
4. The Group does not have the right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

(VI) Cash and cash equivalents

Cash includes cash on hand and demand deposits. 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.

(VII) Financial instruments

The accounts receivable and debt securities issued were originally recognized when they were generated. All other financial assets and financial liabilities were recognized when the Group became a party to the financial instrument contract. Financial assets that are not measured at fair value through profit or loss (other than accounts receivable that do not contain a significant financing component) or financial liabilities are originally measured at fair value plus the transaction costs directly attributable to the acquisition or issuance. The accounts receivable that does not contain a significant financing component are measured at transaction prices.

1. Financial assets

For the purchase or sale of financial assets that conforms to customary transactions, the Group consistently treats all purchases and sales of financial assets classified according to the accounting treatment based on the transaction date consistently.

Financial assets are classified into the following categories: financial assets measured at amortized cost and equity instrument investment measured at fair value through other comprehensive income.

The Group shall reclassify all affected financial assets only when it changes its business model for managing its financial assets from the next reporting period.

(1) Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at fair value through profit and loss:

- The financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset measured at amortized cost is subsequently recognized at their initial value, plus any directly attributable transaction costs using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign currency profit or loss and impairment loss are recognized as profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(2) Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income: On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

An investment through equity instrument is subsequently measured at fair value. Dividend income (unless it clearly represents the return of parts of the investment cost) is recognized in profit or loss. The rest of net profit or loss is recognized in other comprehensive income and is not reclassified to profit or loss.

Dividend income derived from equity investments is recognized on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

(3) Financial assets measured at fair value through profit or loss

Financial assets that are not measured at amortized cost or fair value through other comprehensive income, are measured at fair value through profit or loss, including derivative financial assets. At the time of initial recognition, the Group may irrevocably designate financial assets that meet the criteria for measurement at amortized cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss in order to eliminate or materially reduce the accounting misalignment.

The assets are subsequently measured at fair value, and any net profit or loss (including any dividend and interest income) is recognized in profit or loss.

(4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable (including related party), other receivables, refundable deposit).

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is past due.

The Group considers a financial asset to be in default when the financial asset is more than 90 days past due and the borrower is unlikely to pay its credit obligations to the Group in full.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. The difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

The Group evaluates whether there is credit impairment in measuring financial assets through amortized cost on every reporting date. When there is one or more events arising that will bring unfavorable influence to expected future cash flow, there is already credit impairment to the financial asset. Evidence that a financial asset is credit-impaired includes the following observation data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security due to financial difficulties.

  The allowance loss of financial assets measured through amortized cost is deducted from the carrying amount of assets.

The gross carrying amount of a financial asset is written off either partially or in full to the extent that there is no realistic prospect of recovery. The Group analyzes the timing and amount of the write-off individually on the basis of whether it can reasonably be expected to be recovered. The Group expects that the amount written off will not be materially reversed. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(5) Derecognition of financial assets

Financial assets are derecognized when the contractual rights of the cash flows from the assets expire, or when the Group transfers substantially all the risks and rewards of ownership of the financial assets, or when the Group has neither transferred nor retained ownership of all risks and rewards or control over said financial assets.

When the Group signs a transaction to transfer financial assets, if it retains all or almost all risks and rewards of ownership of the transferred assets, it will continue to be recognized on the balance sheet.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equities

Debt and equity instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity transactions

Equity instruments refer to any contracts containing the Group's residual interest after subtracting liabilities from assets. The equity instrument issued by the Group shall be recognized by the payment net of the direct cost of issuance.

(3) Treasury shares

When buying back the equity instruments recognized by the Group, the consideration paid (including directly attributable costs) is recognized as a decrease in equity. The repurchased shares are classified as treasury shares. For subsequent sales or re-issuance of treasury shares, the amount received is recognized as an increase in equity, and the remaining or loss generated by the transaction is recognized as a capital reserve or retained surplus (if the capital reserve is insufficient for offsetting).

(4) Financial liabilities

Financial liabilities are classified as amortized costs or measured at fair value through profit or loss. Financial liabilities are classified as measured at fair value through profit or loss if they are held for trading, derivatives, or designated at initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value. All related net benefits and losses, including any interest expenses, are recognized as profit or loss.

Other financial liabilities are measured at amortized cost by the effective interest method. Interest income and foreign currency profit or loss is recognized as profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(5) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligation has been discharged or cancelled, or has expired. When the terms of financial liabilities are modified and the cash flow of the modified liabilities is significantly different, the original financial liabilities are excluded and the new financial liabilities are recognized at fair value based on the revised terms.

When derecognizing financial liabilities, the difference between the carrying amount of a financial liability and the consideration paid (including all transferred non-cash assets or liabilities) is recognized in non-operating income and expenses.

(6) Offsetting of financial assets and liabilities

The Group presents financial assets and liabilities on a net basis when the Group has the legally enforceable right to offset and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

3. Derivative financial instruments

Embedded derivatives are separated from the host contract when certain conditions are met and the host contract is not a financial asset. Derivatives are initially recognized at fair value; they are subsequently measured at fair value, with gains or losses arising from remeasurement recognized directly in profit or loss.

(VIII) Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the standard cost method and includes expenditure and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(IX) Investments in associates

Associates refer to those over which the Group has significant influence over its financial and operating policies without control or joint control.

The Group adopts the equity method to deal with the interests of associates. Under equity method, they are recognized through cost in original acquisition, and investment costs includes transaction costs. The carrying amount of invested associates includes identified goodwill at the time of investment less any cumulative impairment.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align their accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When changes in the equity other than profit or loss and other comprehensive income incur to associates that does not affect the Group's shareholding ratio, the Group will recognize the changes in equity attributable to the Group's share of the associates as capital reserve based on the shareholding ratio.

Unrealized profit or loss resulting from the transaction between the Group and associates shall be recognized in the financial statements only to the extent unrelated to the investor's interests in associates. When the Group's share of losses exceeds its interest in associates, the carrying amount of that investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has a present legal or constructive obligation or has made payments on behalf of the investees.

(X) Property, plant and equipment

1. Recognition and measurement

Property, plant and equipment are measured by cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment.

As the useful life of property, plant and equipment varies, they are deemed as independent items (main components) for treatment.

The gain or loss arising from the disposal of an item of property, plant and equipment shall be recognized as non-operating income and expenses.

2. Subsequent cost

Subsequent cost is only capitalized when the future economic benefits are likely to flow into the Group.

3. Depreciation

Depreciation is calculated based on the cost of assets minus the residual value, and the straight-line method is recognized in profit or loss within the estimated useful life of each component.

The estimated useful lives for the current and comparative years are as follows:

(1) Buildings: 10-20 years

(2) Machinery and equipment: 4-10 years

(3) Other equipment and others: 4-8 years

Buildings constitute mainly buildings, air-conditioning equipment and related engineering. Each constituent is depreciated based on its useful life of 20 years and 10 years, respectively.

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted when necessary.

(XI) Leases

The Group evaluates whether the contract is a lease or contains a lease upon the conclusion of the contract. If the contract transfers control over the use of the identified assets for a period of time in exchange for consideration, the contract is a lease or contains a lease.

Lessee

The Group recognizes the right-of-use asset and lease liability upon the inception of the lease. The right-of-use asset is initially measured at cost, which includes the original measured amount of the lease liability, adjusts any lease payments paid on or before the inception of the lease and adds the original direct cost incurred and the estimated cost of dismantling, removing the underlying asset and restoring its location or underlying asset, and deducting any lease incentive.

The right-of-use asset is subsequently depreciated on a straight-line basis between the inception of the lease and the end of the end-of-life of the right-of-use asset or the end of the lease period. In addition, the Group regularly assesses whether the right-of-use asset is impaired and treats any impairment loss that has occurred, as well as cooperating to adjust the right-of-use asset when the lease liability is remeasured.

Lease liabilities are originally measured by the present value of the lease payments that have not been paid at the inception of the lease. If the implicit interest rate of the lease is easy to determine, it is applied as the discount rate. If it is not easy to determine, the incremental borrowing rate of the Group is used. Generally speaking, the Group adopts the incremental borrowing rate as the discount rate.

Lease payments in the measurement of lease liabilities include:

1. Fixed benefits, including substantial fixed benefits;
2. Variable lease payments dependent upon certain indicators or rates are measured by the indicators or rates used at the inception of the lease;
3. The residual value guarantee expected to be paid; and
4. When reasonably determined that the purchase option or lease termination option will be exercised, the exercise price or the penalty payable.

The lease liability is subsequently accrued by the effective interest method, and the amount is measured when the following occurs:

1. Changes in the indicator or rate used to determine lease payments result in changes in future lease payments;
2. Changes in the residual value guarantee expected to be paid;
3. Changes in the evaluation of the underlying asset purchase option;
4. Changes in the estimate of whether to exercise the extension or termination option and the assessment of the lease period;
5. Modification of lease subject, scope or other terms.

When the lease liability is remeasured due to changes in the aforementioned indicator or rate used to determine lease payments, changes in the residual value guarantee, and changes in the evaluation of purchase, extension or termination options, the carrying amount of the right-of-use asset is adjusted accordingly. When the carrying amount of the right-of-use asset is reduced to zero, the remaining remeasured amount is recognized in profit or loss.

For lease modifications that reduce the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between the lease and the remeasured amount of the lease liability is recognized in profit or loss.

The Group expresses the right-of-use assets and lease liabilities that do not meet the definition of investment real estate as separate line items in the balance sheet.

For the lease of low-value underlying assets leased by the office premises, the Group chooses not to recognize the right-of-use assets and lease liabilities, but the related lease payments are recognized on a straight-line basis as expenses during the lease period.

(XII) Intangible assets

1. Recognition and measurement

Goodwill arising from acquiring subsidiaries is measured by cost less any accumulated impairment.

Expenditures related to research activities are recognized as profit or loss when incurred.

Development expenditures are only capitalized when they can be reliably measured, when the technical or commercial feasibility of the product or process has been achieved, when future economic benefits are likely to flow into the Group, and when the Group intends and has sufficient resources to complete the development for use or for sale. Other development expenditures are recognized in profit or loss when incurred. After the initial recognition, capitalized development expenditures are measured by its cost less accumulated amortization and accumulated impairment.

2. Subsequent expenditures

Subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenses are recognized in profit or loss when such expenses are incurred.

3. Amortization

Amortization is calculated with the asset cost less the estimated residual value, and starting from the available-for-use state of the intangible asset, the straight-line approach is used to recognize it in profit or loss for its estimated useful life.

The estimated useful lives for the current and comparative years are as follows:

(1) Computer software: 3 years

(2) Royalty fees: 12 years

The residual value, amortization period, and amortization method for an intangible asset with a finite useful life shall be adjusted when necessary.

(XIII) Impairment of non-financial assets

The Group assesses on each reporting day whether there is any indication that the carrying amount of non-financial assets (other than inventories and deferred income tax assets) may be impaired. If there is any sign of impairment, an estimate is made of its recoverable amount. An impairment test is conducted on goodwill on a yearly basis.

For the purpose of impairment test, a group of assets whose cash inflows are largely independent of the cash inflows of other individual assets or asset groups is used as the smallest identifiable asset group. Goodwill acquired in a business combination is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the combined effect of the merger.

The recoverable amount for an individual asset or a cash-generating unit is the higher of its fair value, less costs to sell, and its value in use. When evaluating the value in use, the estimated future cash flow is converted to the present value at a pre-tax discount rate, which should reflect the current market assessment of the time value of money and the specific risks for the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is lower than the carrying amount, an impairment loss is recognized.

Impairment loss is recognized immediately in profit or loss, and first reduces the carrying amount of the goodwill of the cash-generating unit, and then reduces the carrying amount of each asset in proportion to the carrying amount of other assets in the unit.

Impairment losses of goodwill are not reversed. Non-financial assets, other than goodwill, are reversed only in the range not exceeding the carrying amount (less depreciation or amortization) of the asset that has not been determined during the recognition of the impairment loss in the previous year.

(XIV) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good to a customer. The accounting policies for the Group's main types of revenue are explained below:

1. Sales of goods

The Group engages in business such as research, development, production, manufacturing and sales of electronic components. The Group recognizes revenue when control of the products has transferred. The control of the products has transferred 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, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

2. Financial components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(XV) Government grants

The Group recognized government grants with no conditions attached as other income when the grants became receivable. Government grants intended to compensate expenses incurred or losses of the Group were recognized in profit or loss in the same period as relevant expenses on a systematic basis.

(XVI) Employee benefits

1. Defined contribution plans

   Obligations for contributions to defined contribution pension plans are recognized as expenses for the periods during which services are rendered by employees.

2. Short-term employee benefits

   Obligations for short-term employee benefits are recognized as expenses for the periods during which services are rendered. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(XVII) Share-based compensation transactions

The share-based compensation agreement for equity settlement recognizes expenses at the fair value on the grant date and records them over the vesting period, thereby increasing corresponding equity during the period in which the compensation is earned. The recognized expenses are adjusted for the expected quantity of compensation that meets both service and non-market-based vesting conditions. The final amount recognized is measured based on the quantity of compensation that meets both service and non-market-based vesting conditions on the vesting date.

Non-market-based conditions related to stock-based compensation awards are already reflected in the measurement of fair value on the grant date. Therefore, there is no need to make adjustment for differences between expected and actual outcomes.

The grant date of the share-based payment is the base date of the capital increase approved by the board of directors.

(XVIII) Income tax

Income tax expenses include both current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes include tax payables and tax deduction receivables on taxable gains (losses) for the year calculated using the statutory tax rate on the reporting date, as well as tax adjustments related to prior years. The amount is based on the statutory tax rate at the reporting date or the tax rate of substantive legislation to measure the best estimate of the amount expected to be paid or received.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes shall not be recognized for the exceptions below:

1. Assets and liabilities that are initially recognized but are not related to the business combination and have no effect net income or taxable gains (losses) during the transaction;
2. Temporary differences arising from equity investments in subsidiaries, associates and joint ventures, where the Company is able to control the reverse of the temporary difference and where there is a highly probability that such temporary differences will not reverse in the future; and
3. Taxable temporary difference arising from initial recognition of goodwill.

A deferred tax asset should be recognized for the carry forward of unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the unused tax credits and deductible temporary differences can be utilized. Such unused tax credits and deductible temporary differences shall also be re-evaluated every year on the financial reporting date, and adjusted based on the probability that future taxable profit will be available against which the unused tax credits and deductible temporary differences can be utilized.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:

1. The entity has the legal right to settle tax assets and liabilities on a net basis; and
2. the taxing of deferred tax assets and liabilities fulfills one of the scenarios below:
   (1) levied by the same taxing authority; or
   (2) levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

(XIX) Business combination

The Group accounts for each business combination by applying acquisition method. Goodwill is measured as the aggregate of the fair value of the consideration transferred at the acquisition date, and the amount of any non-controlling interest in the acquiree, less the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed (usually the fair value). If the balance is a negative amount, the Group shall reassess whether it has correctly identified all of the assets acquired and all of the liabilities assumed, before recognizing a gain on bargain purchase in profit or loss.

The group shall account for business-combination-related costs as expenses as incurred, except for the costs to issue debt or equity instruments.

For each business combination, the Group shall measure the components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation at either acquisition-date fair value, or the present ownership instruments' proportionate share in the recognized amount of the acquiree's identifiable net assets. All the other components of non-controlling interests shall be measured at their acquisition-date fair values, or other measurement basis required by IFRS accounting standards endorsed by the FSC.

In a business combination achieved in stages, the Group shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss in profit or loss. If the Group has recognized changes in the value of its equity interest in the acquiree in other comprehensive income, the amount that was recognized in other comprehensive income shall be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest. If it is appropriate to reclassify the amount into profit or loss when disposing of the equity interest, the amount shall be reclassified to profit or loss.

(XX) Earnings per Share (EPS)

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Group divided by the weighted-average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. The Group's dilutive potential ordinary shares include convertible bonds payable and employee remuneration through the issuance of shares.

(XXI) Segment Information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

V. Significant Accounting Judgments, Estimates and Key Sources of Uncertainty over Assumptions

When preparing the consolidated financial statements, the management has to make judgments, and estimates to future (including climate-related risks and opportunities), which may influence the adoption of accounting policies, and the reporting amount of assets, liabilities, incomes and expenses. There may be differences between actual results and estimates.

The management continues to monitor the accounting estimates and assumptions to be consistent with the Group's risk management and climate-related commitments. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period on a prospective basis.

Information of critical judgments in applying accounting policies that have significant impact on these consolidated financial statements is as follows:

Whether it has substantial control on the investee, please refer to Note VI(VI).

The following provides explanation on the assumption and estimation uncertainty made. Such assumption and uncertainty have major risks that may lead to material adjustments in assets and liability carrying amounts in the next fiscal year, and relevant information is as follows:

Inventories are stated at the lower of cost or net realizable value, and the Group uses judgments and estimates to determine the net realizable value of inventory for obsolescence and unmarketable items at the reporting date. It also writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on the assumptions of the estimated selling price of the products within a specific time horizon. However, due to the rapid industrial transformation, the above estimation may have a significant change. The aforementioned uncertainties of assumption and estimation have a significant risk of causing a material adjustment to the asset's carrying amount in the next fiscal year. Please refer to note VI(V) for further description of the valuation of inventories.

The accounting policy and disclosure of the Group include adopting fair value to measure financial and non-financial assets and liabilities. The Group's finance department determines the fair value using the independent data sources which reflect the current market condition and confirming the data available are independent, reliable, in consistent with other sources and represent the exercisable price. The Group also periodically assesses the evaluation model, and updates inputs together with any other necessary fair value adjustment for the evaluation model in order to ensure the reasonableness of the results of the valuation.

The Group evaluates the assets and liabilities using the observable market inputs. The hierarchy of the fair value depends on the valuation techniques used and is categorized as follows:

(I) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.

(II) Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(III) Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For the transition among different levels of fair value, the Group shall recognize it on the reporting date.

For the assumption used in fair value measurement, please refer to Note VI (XXII) of the financial instruments.

VI. Details of Significant Accounts

(I) Cash and cash equivalents

	2025.12.31	2024.12.31
Cash and demand deposit	$ 1,681,772	1,525,405
Time deposit	78,576	16,392
Cash and cash equivalents	**$ 1,760,348**	**1,541,797**

Please refer to Note VI (XXIII) for currency risk and sensitivity analysis disclosure of the financial assets and liabilities.

Please refer to note VI(XXIV) for the disclosure of credit risks.

(II) Financial assets measured at fair value through profit or loss

1. Current:

	2025.12.31	2024.12.31
Financial assets mandatorily measured at fair value through profit or loss:		
U.S. Treasury bonds	**$ 46,416**	**47,079**

The Group newly purchased US Treasury bonds with a face value of US$600 thousand, and acquired them at a fair value of $18,051 thousand in January 2024.

The Group acquired 24 thousand shares of Hon. Precision, Inc. in November 2025, with total investment amount of NT$50,349 thousand. The Group sold 24 thousand shares of Hon. Precision, Inc. in December 2025. Fair value at the disposal amounted to NT$80,967 thousand, and the gains on disposal amounted to NT$30,618 thousand.

2. Non-current:

	2025.12.31	2024.12.31
Financial assets mandatorily measured at fair value through profit or loss:		
Domestic limited liability partnership		
AyeVest Investment Limited Partnership (AyeVest Investment)	$ 10,728	5,409
Domestic unlisted common stocks		
Sunrise Innovation Capital Co. (Sunrise Innovation)	34,980	-
Phoenix VII Innovation & Venture Capital Co., Ltd. (Phoenix VII)	100,000	-
	$ 145,708	5,409

The Group invested in 3,000 thousand shares of Sunrise Innovation Capital Co. in May 2025 by the investment amount of NT$30,000 thousand.

The Group invested in 10,000 thousand shares of Phoenix VII Innovation & Venture Capital Co., Ltd. in November 2025 by the investment amount of NT$100,000 thousand.

The amount of profit or loss recognized from remeasurement at fair value, please refer to Note VI(XXII) for details.

(III) Financial assets measured at fair value through other comprehensive income – non-current

	2025.12.31	2024.12.31
Domestic listed common stocks－		
TAI-TECH Advanced Electronics Co., Ltd. (TAI-TECH)	$ 17,140	-
Syntec Technology Co., Ltd. (Syntec Technology)	1,239,556	-

	2025.12.31	2024.12.31
Domestic and foreign unlisted common stocks -		
Foxfortune Technology Ventures Limited	15,845	21,878
Inpaq Korea Co., Ltd. (Inpaq Korea)	4,577	2,517
Element I Venture Capital Co., Ltd. (Element I Venture Capital)	9,803	13,305
Kuan Kun Electronic Enterprise Co., Ltd. (Kuan Kun Electronic)	79,441	158,114
AICP Technology Corporation (AICP Technology)	2,095	2,119
IPU Semiconductor Co., Ltd. (IPU Semiconductor)	25,248	32,625
WK Technology Fund IX II Ltd. (WK Technology Fund IX II)	27,360	26,430
I-See Vision Technology Inc. (I-See Vision Technology)	53,895	32,286
Syntec Technology Co., Ltd. (Syntec Technology)	-	695,576
Phoenix VI Innovation & Venture Capital Co., Ltd. (Phoenix VI)	61,750	43,350
	$ 1,536,710	1,028,200

Information on major equity investments denominated in foreign currencies as of the reporting date is as follows:

	2025.12.31			2024.12.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
USD	$ 650	31.430	20,422	745	32.785	24,395

Equity instruments held by the Group are strategic long-term investments and not for trading purposes, so they have been designated to be measured at fair value through other comprehensive income.

The Group acquired 117 thousand shares of TAI-TECH Advanced Electronics Co., Ltd. by NT$13,460 thousand from March to April 2025.

The Group acquired 40 thousand shares and 1,400 thousand shares of Syntec Technology Co., Ltd. by NT$23,977 thousand NT$210,000 thousand from March to July 2025 and in May 2024, respectively. The Group disposed of 2 thousand shares of Syntec Technology Co., Ltd. Fair value at the time of disposal was NT$1,815 thousand, and the gains on disposal amounted to NT$1,490. The aforementioned gains on disposal have been transferred from other equity to retained earnings.

The Group participated in the capital increase of I-See Vision Technology Inc. in October 2025 by subscribing 3,420 thousand shares amounting to NT$34,203 thousand.

The Group invested 5,000 thousand shares of Phoenix VI Innovation & Venture Capital Co., Ltd. by NT$50,000 thousand in May 2024.

Foxfortune Technology Ventures Limited reduced its capital by 20% and returned NT$3,806 thousand and NT$5,118 thousand to the Company in August 2025 and July 2024, respectively, as resolved by the board of directors.

Element I Venture Capital Co., Ltd. reduced its capital and returned NT$6,000 thousand and NT$1,200 thousand to the Company in July 2025 and June 2024, respectively, as resolved by the shareholders meeting.

The Group recognized dividend income of NT$19,647 thousand and NT$1,621 thousand respectively for the aforementioned investments in equity instruments designated at fair value through other comprehensive income for the years ended December 31, 2025 and 2024, respectively. Please refer to Note VI(XXII) for details.

(IV) Notes and accounts receivable (including related parties)

	2025.12.31	2024.12.31
Notes receivable	$ 32,676	49,086
Accounts receivable	1,789,686	1,500,079
Accounts receivable - related parties	45,163	73,360
	$ 1,867,525	1,622,525

The Group adopts a simplified method to estimate the expected credit loss for all receivables (including related parties), that is, using the lifetime expected credit loss. For this purpose, these receivables are categorized based on common credit risk characteristics of customers' capability to pay for amount due in accordance with the contracts with forward-looking information incorporated, including general economic and related industry information.

	2025.12.31		
	Carrying amount of accounts receivable (including related parties)	**Ratio of loss on lifetime expected credit**	**Allowance of lifetime expected credit loss**
Not past due	$ 1,809,700	0%	-
Past due 1-90 days	20,000	0%	-
Past due over 91 days	37,825	0%	-
	$ 1,867,525		-

	2024.12.31		
	Carrying amount of accounts receivable (including related parties)	**Ratio of loss on lifetime expected credit**	**Allowance of lifetime expected credit loss**
Not past due	$ 1,608,945	0%	-
Past due 1-90 days	13,580	0%	-
	$ 1,622,525		-

No impairment loss has been provided for receivables (including related parties) for the years ended December 31, 2025 and 2024.

(V) Inventories, net

	2025.12.31	**2024.12.31**
Raw materials	$ 293,661	206,937
Work in process and semi-finished products	127,863	97,254
Finished goods and commodity	485,736	424,027
	$ 907,260	728,218

The details of operating costs were as follows:

	2025	**2024**
Cost of goods sold	$ 2,926,769	2,408,458
Loss on market value decline and obsolete and slow-moving inventories	12,490	41,966
Revenue from sales of tailings and scraps	(15,429)	-
	$ 2,923,830	2,450,424

As of December 31, 2025 and 2024, the inventories of the Group were not provided as pledged assets.

(VI) Investments accounted for under the equity method

Investments of the Group under equity method at financial reporting end date are individually non-significant and are listed below:

	2025.12.31	2024.12.31
Associate	$ 58,180	59,077

Share of profit or loss of associates attributable to the Group:

	2025	2024
Net profit (loss) for the period	$ 3,875	(4,893)
Other comprehensive income for the period	-	-
Total comprehensive income	$ 3,875	(4,893)

(VII) Business combination

As the Group acquired 22% of the share of the related party, AiPAQ Technology Co., Ltd (AiPAQ Technology) by cash amounting to NT$151,920 thousand on February 15, 2024, the Group's percentage of ownership increased from 30% to 52%, and the Group acquired the control over the company. Therefore, AiPAQ Technology 's financial statements have been included into the Group, and the acquiree's equity interest previously held is remeasured by fair value and treated as a disposal. The resulting difference of NT$36,889 thousand is recognized in profit or loss.

AiPAQ Technology primarily engages in manufacturing and sales of electronic components, and the Group's market share is expected to expand in relevant areas.

Major types of transferring consideration, assets acquired and liabilities assumed at the acquisition date are as follows:

1. Acquisition-date fair values of the major types of transferring consideration are as follows:

Long-term investments in equity – remeasurement valuation	$ 59,850
Cash	151,920
	$ 211,770

2. Identifiable assets acquired and liabilities assumed:

Details of acquisition-date fair values of identifiable assets acquired and liabilities assumed are as follows:

Cash and cash equivalents	$	213,475
Accounts receivables		890
Other current assets		4,455
Property, plant and equipment		76,859
Right-of-use assets		15,068
Patented technology		9,181
Other non-current assets		2,543
Accounts payables		(683)
Other current liabilities		(19,675)
Fair value of identifiable net assets	$	302,113

3. Goodwill recognized for acquisition of AiPAQ Technology by capital increase is as follows:

Transferring consideration	$	211,770
Add: non-controlling interests (measured by the non-controlling interests' proportionate share in the identifiable net assets)		145,014
Less: fair value of identifiable net assets		(302,113)
Goodwill	$	54,671

The amount of net assets recognized on December 31, 2024 was evaluated by the tentative fair value. The Group continuously reviewed the aforementioned item during the measurement period, and completed the finalized valuation in the first quarter in 2025, and adjusted to be NT$54,671 thousand of goodwill and NT$9,181thousand of patent technology.

(VIII) Property, plant and equipment

		Houses and buildings	Machinery and equipment	Other equipment and others	Construction in progress and equipment to be tested	Total
Cost:						
Balance as of January 1, 2025	$	399,384	2,311,895	272,468	227,177	3,210,924
Additions		6,767	179,628	68,285	479,715	734,395
Disposals and obsolescence		(548)	(177,115)	(9,842)	-	(187,505)
Reclassification		14,598	115,233	35,729	(165,691)	(131)

		Houses and buildings	Machinery and equipment	Other equipment and others	Construction in progress and equipment to be tested	Total
Effect of exchange rate changes		(7,083)	(41,498)	(956)	6,652	(42,885)
Balance as of December 31, 2025	$	413,118	2,388,143	365,684	547,853	3,714,798
Balance as of January 1, 2024	$	374,858	2,189,675	218,193	146,742	2,929,468
Acquisition in business combination (Note VI(VII))		-	-	-	74,646	74,646
Additions		4,992	58,439	37,802	135,261	236,494
Disposals and obsolescence		-	(168,987)	(1,960)	-	(170,947)
Reclassification		-	123,151	11,417	(137,162)	(2,594)
Effect of exchange rate changes		19,534	109,617	7,016	7,690	143,857
Balance as of December 31, 2024	$	399,384	2,311,895	272,468	227,177	3,210,924
Depreciation:						
Balance as of January 1, 2025	$	248,109	1,329,184	195,684	-	1,772,977
Depreciation for the period		20,377	175,178	36,969	-	232,524
Disposals and obsolescence		(542)	(148,295)	(9,150)	-	(157,987)
Effect of exchange rate changes		(4,159)	(25,328)	(2,201)	-	(31,688)
Balance as of December 31, 2025	$	263,785	1,330,739	221,302	-	1,815,826
Balance as of January 1, 2024	$	214,105	1,259,269	160,055	-	1,633,429
Depreciation for the period		22,744	172,678	32,025	-	227,447
Disposals and obsolescence		-	(165,389)	(1,875)	-	(167,264)
Effect of exchange rate changes		11,260	62,626	5,479	-	79,365
Balance as of December 31, 2024	$	248,109	1,329,184	195,684	-	1,772,977
Carrying Amount:						
December 31, 2025	$	149,333	1,057,404	144,382	547,853	1,898,972
January 1, 2024	$	160,753	930,406	58,138	146,742	1,296,039
December 31, 2024	$	151,275	982,711	76,784	227,177	1,437,947

(IX) Right-of-use assets

		Land use rights	Houses and buildings	Transportation equipment	Total
Cost of right-of-use assets:					
Balance as of January 1, 2025	$	12,203	86,196	1,610	100,009
Additions		-	91,721	-	91,721
Decrease (contract matured or early contract termination)		-	(28,527)	-	(28,527)
Effect of exchange rate changes		(238)	3,291	-	3,053
Balance as of December 31, 2025	$	11,965	152,681	1,610	166,256
Balance as of January 1, 2024	$	11,598	46,006	1,567	59,171
Acquisition in business combination (Note VI(VII))		-	15,323	-	15,323

		Land use rights	Houses and buildings	Transportation equipment	Total
Additions		-	54,780	1,610	56,390
Decrease (contract matured or early contract termination)		-	(30,558)	(1,567)	(32,125)
Effect of exchange rate changes		605	645	-	1,250
Balance as of December 31, 2024	$	12,203	86,196	1,610	100,009
Depreciation of right-of-use assets:					
Balance as of January 1, 2025	$	1,815	19,583	268	21,666
Depreciation for the period		287	28,004	537	28,828
Decrease (contract matured or early contract termination)		-	(17,290)	-	(17,290)
Effect of exchange rate changes		(26)	47	-	21
Balance as of December 31, 2025	$	2,076	30,344	805	33,225
Balance as of January 1, 2024	$	1,437	21,674	1,306	24,417
Acquisition in business combination (Note VI(VII))		-	255	-	255
Depreciation for the period		301	27,714	529	28,544
Decrease (contract matured or early contract termination)		-	(30,222)	(1,567)	(31,789)
Effect of exchange rate changes		77	162	-	239
Balance as of December 31, 2024	$	1,815	19,583	268	21,666
Carrying amount of right-of-use assets:					
December 31, 2025	$	9,889	122,337	805	133,031
January 1, 2024	$	10,161	24,332	261	34,754
December 31, 2024	$	10,388	66,613	1,342	78,343

(X) Intangible assets

The amount of the Group's cost and amortization of intangible assets for the years ended December 31, 2025 and 2024 was as follows:

		Goodwill	Computer software	Royalty fees	Patent technology	Total
Cost:						
Balance as of January 1, 2025	$	53,315	14,787	45,038	-	113,140
Adjustment for acquisition in business combination (Note VI(VII))		1,356	-	-	9,181	10,537
Additions		-	2,662	-	-	2,662
Effect of exchange rate changes		-	26	-	-	26
Balance as of December 31, 2025	**$**	**54,671**	**17,475**	**45,038**	**9,181**	**126,365**
Balance as of January 1, 2024	$	-	12,170	45,038	-	57,208
Acquisition in business combination (Note VI(VII))		53,315	-	-	-	53,315
Additions		-	2,534	-	-	2,534
Effect of exchange rate changes		-	83	-	-	83
Balance as of December 31, 2024	**$**	**53,315**	**14,787**	**45,038**	**-**	**113,140**
Amortization:						
Balance as of January 1, 2025	$	-	10,128	26,897	-	37,025
Amortization for the period		-	2,069	3,754	765	6,588
Effect of exchange rate changes		-	(23)	-	-	(23)
Balance as of December 31, 2025	**$**	**-**	**12,174**	**30,651**	**765**	**43,590**
Balance as of January 1, 2024	$	-	8,849	23,144	-	31,993
Amortization for the period		-	1,216	3,753	-	4,969
Effect of exchange rate changes		-	63	-	-	63
Balance as of December 31, 2024	**$**	**-**	**10,128**	**26,897**	**-**	**37,025**
Carrying amount:						

	Goodwill	Computer software	Royalty fees	Patent technology	Total
December 31, 2025	$54,671	5,301	14,387	8,416	82,775
January 1, 2024	$ -	3,321	21,894	-	25,215
December 31, 2024	$53,315	4,659	18,141	-	76,115

Impairment testing of goodwill

In accordance with the regulations in IAS 36, goodwill acquired in a business combination shall be allocated to each of the cash-generating units, that is expected to benefit from the synergies of the combination, and impairment testing shall be implemented at least each year. As AiPAQ Technology is a cash-generating unit that generates independent cash flows, provision of impairment of losses is evaluated by calculating the fair value and carrying amount of AiPAQ Technology .

The Group assesses the impairment of recoverable amount of goodwill at the end of the reporting period, and calculates recoverable amount based on fair value. Calculation of fair value is estimated based on price-to-book ratio of the market approach, takes the discount on liquidity into consideration, to reflect the specific risks of the relevant cash-generating unit.

The Group evaluated the impairment of goodwill in 2025. As the recoverable amount of the cash generating units is higher than the carrying amount, no impairment of goodwill shall be recognized.

The aforementioned intangible assets were not pledged as collateral.

(XI) Other assets - current and non-current

	2025.12.31	2024.12.31
Prepayments for business facilities	$ 68,342	38,230
Business tax credit	50,890	82,732
Prepaid expenses	32,315	29,698
Tax refund receivables	17,340	-
Long-term deferred expenses	16,822	12,342
Prepayments for goods and others	12,856	13,248
	$ 198,565	176,250

(XII) Short-term loans

		2025.12.31	2024.12.31
Unsecured bank loans	$	2,150,000	1,420,000
Unused limit	$	850,000	1,112,432
Interest rate range		1.95%~2.10%	1.85%~2.13%

The additional amounts for the years 2025 and 2024 are $1,476,000 thousand and $1,680,000 thousand, respectively, with interest rates ranging from 1.95% to 2.10% and 1.85% to 2.13%, and maturity dates from January 2026 to March 2026 and January 2025 to March 2025, respectively. The repayment amounts are $746,000 thousand and $1,097,000 thousand, respectively.

(XIII) Long-term loans

		2025.12.31	2024.12.31
Unsecured bank loans	$	239,685	310,819
Less: Due within one year		(195,635)	(158,634)
	$	44,050	152,185
Unused limit	$	570,000	320,000
Interest rate range		1.925%~ 2.130%	1.925%~ 2.200%

(XIV) Lease liabilities

The carrying amount of the Group's lease liability is as follows:

		2025.12.31	2024.12.31
Current	$	32,100	25,480
Non-current	$	91,661	42,921

For maturity analysis, please refer to Note VI(XXIII) Financial instruments.

The amount of lease recognized in profit or loss is as follows:

		2025	2024
Interest expense of lease liabilities	$	1,002	990
Expense for leases of low-value assets	$	73	76

The amount of lease recognized in the statements of cash flows is as follows:

	2025	2024
Total cash outflow for lease	$ 29,314	28,943

1. Leasing of houses and buildings

   The Group leased houses and buildings as office premises and factory buildings as of December 31, 2025 with the period of 1 to 5 years. Some leases include the option to extend for the same period when the lease expires.

   Some of the aforementioned leases include the option to extend. These leases are managed by each region, so the individual terms and conditions agreed are different within the Group. These options are only enforceable by the Group, not the lessor. Where it is not possible to reasonably determine that the optional lease extension will be exercised, the payment related to the period covered by the option is not included in the lease liability.

2. Other leases

   The lease period for leasing office premises of the Group is two years. These leases are for low-value assets, and the Group chooses to apply the exemption recognition requirement instead of recognizing the right-of-use assets and lease liabilities.

(XV) Employee benefits

The Group allocates 6% of each employee's monthly wages to the personal labor pension account at the Bureau of Labor Insurance, Ministry of Labor in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Group allocates a fixed amount to the Bureau of Labor Insurance, Ministry of Labor without additional legal or constructive obligation. The Group's pension costs under the defined contribution plan were NT$6,653 thousand and NT$5,793 thousand for the years ended December 31, 2025 and 2024, respectively, and were contributed to the Bureau of Labor Insurance.

In addition, the pension expenses recognized by the foreign subsidiaries for the years ended December 31, 2025 and 2024 in accordance with relevant local laws and regulations were NT$1,747 thousand and NT$1,600 thousand, respectively.

(XVI) Income tax

1. Income tax expense

   The amount of the Group's income tax expenses (gains) for the years ended December 31, 2025 and 2024 was as follows:

		2025	2024
Current income tax expenses			
Current income tax expenses	$	215,134	194,722
Current income tax from adjustment of prior period		(9,807)	(25,554)
Deferred income tax expense (benefit)		(8,999)	2,013
	$	196,328	171,181

2. The amount of income tax expense recognized in other comprehensive income was as follows:

		2025	2024
Exchange differences on translation of foreign operations (gains)	$	(9,473)	28,101

3. The reconciliation of income tax expenses and income before income tax of the Group was as follows:

   The reconciliation of the Group's income tax expenses and income before income tax for the years ended December 31, 2025 and 2024 was as follows:

	2025	2024
Income before income tax	$ 818,352	682,996
Income tax at the Company's domestic tax rate	$ 163,670	136,599
Effects of different tax rates in foreign jurisdictions	31,420	32,027
Permanent difference	(936)	20,656
Under-estimated (over-estimated) amount	(9,807)	(25,554)
Additional tax on undistributed earnings	11,981	7,453
Income tax expense	$ 196,328	171,181

4. Unrecognized deferred tax liabilities

As of December 31, 2025 and 2024, the temporary differences associated with investments in subsidiaries were not recognized as deferred income tax liabilities as the Company plans to use undistributed earnings of the foreign subsidiaries for permanent investment rather than distribution. The relevant amounts are as follows:

	2025.12.31	2024.12.31
Undistributed earnings from subsidiaries	$ 1,761,502	1,414,709
Unrecognized deferred tax liabilities	$ (352,300)	(282,942)

5. Recognized deferred tax assets (liabilities)

Deferred income tax assets

	2024.1.1	Recognized in profit or loss	Recognized in other comprehensive income	2024.12.31	Recognized in income statement	Recognized in other comprehensive income	2025.12.31
Assets:							
Loss for market price decline and obsolete and slow-moving inventories	$ 12,805	4,732	-	17,537	(3,126)	-	14,411
Unrealized expenses	10,916	(389)	-	10,527	(413)	-	10,114
Unrealized profit between associates	2,014	5,037	-	7,051	(7,051)	-	-
Financial statements translation differences of foreign operations	23,779	-	(23,779)	-	-	5,151	5,151
Unrealized exchange loss	4,219	(4,219)	-	-	-	-	-
Others	7,551	3,580	-	11,131	4,648	-	15,779
	$ 61,284	8,741	(23,779)	46,246	(5,942)	5,151	45,455

	2023.1.1	Recognized in profit or loss	Recognized in other comprehensive income	2023.12.31	Recognized in income statement	Recognized in other comprehensive income	2024.12.31
Liabilities:							
Unrealized gains between affiliated companies	$ -	-	-	-	(2,666)	-	(2,666)
Financial statements translation differences of foreign operations	-	-	(4,322)	(4,322)	-	4,322	-
Unrealized exchange gain	-	(6,728)	-	(6,728)	69	-	(6,659)
Gains on valuation of financial assets and liabilities	-	-	-	-	(460)	-	(460)
	$ -	(6,728)	(4,322)	(11,050)	(3,057)	4,322	(9,785)

6. The ROC income tax authorities have examined the Company's income tax returns through 2023.

(XVII) Capital and other equity

1. Share capital

As of December 31, 2025 and 2024, the authorized capital of the Company amounted to NT$2,000,000 thousand, of which included the amount of NT$60,000 thousand reserved for employee share options; the paid-in capital amounted to NT$ 919,185 thousand and NT$889,535 thousand \, respectively, and at NT$10 per share.

The Company issued 3,000 thousand shares of restricted stock awards in March 2025. The relevant registration for change has been completed on April 11, 2025. The Company bought back 55 thousand shares of restricted stock awards for not reaching the vesting conditions in 2025. As of December 31, 2025, 35 thousand shares have been cancelled with relevant registration for change completed. The relevant registration for change of the residual 20 thousand shares hasn’t been completed. Please refer to Note VI(XVIII) for relevant information.

2. Capital surplus

	2025.12.31	2024.12.31
Share premium	$ 320,766	320,766
Compensation cost of shares retained for employee subscription at cash capital increase	7,852	7,852
Subscription right to convertible corporate bonds	117	117
Treasury share transactions	3,642	3,642
Premium from conversion of corporate bonds to common shares	433,380	433,380
Changes in percentage of shareholding in long-term equity investments	2,736	2,736
Gains on exercise of disgorgement	34	34
Restricted stock awards	338,475	-
	$ 1,107,002	768,527

In accordance with the Company Act, realized capital surplus can only be distributed as stocks or cash dividends in accordance with shareholders' original shareholding percentages after offsetting losses. The above-mentioned realized capital surplus includes amount in excess of the face amount during shares issuance and acceptance of bestowal. In accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers," the total of capital surplus appropriated for capital every year shall not exceed 10% of the paid-in capital.

Capital surplus arising from exercise of disgorgement may be only used to coverup accumulated deficit.

3. Retained earnings

(1) Legal reserve

If the Company incurs no loss, the reserve may be distributed as cash or share dividends for the portion in excess of 25% of the paid-in capital by resolution of the shareholders' meeting.

(2) Special reserve

By choosing to apply exemptions granted under IFRS 1 during the Company's first-time adoption of the IFRSs endorsed by the FSC, cumulative translation adjustments under shareholders' equity shall be reclassified as retained earnings at the adoption date. The increase in retained earnings occurring before the adoption date due to the first-time adoption of the IFRSs endorsed by the FSC amounted to NT$6,954 thousand. In accordance with Jin-Guan-Zheng-Fa-Zi No. 1010012865 issued by the FSC, the net increase of NT$6,236 thousand in retained earnings due to the first-time adoption of the IFRSs endorsed by the FSC shall be reclassified as a special reserve during earnings distribution, and when the relevant asset is used, disposed of, or reclassified, this special reserve shall be reversed as distributable earnings proportionately. The carrying amount of special reserve generated due to the aforementioned reasons amounted to NT$6,236 thousand as of December 31, 2025.

In accordance with the guidelines of the above Ruling, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of special reserve resulting from the first-time adoption of the IFRSs endorsed by the FSC and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to the first-time adoption of the IFRSs endorsed by the FSC. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(3) Earnings distribution

According to the Company's Articles of Incorporation, if the Company shows a year-end profit, it shall firstly make up any accumulated losses. Thereafter, a 10% appropriation of the remaining amount shall be set aside for legal reserve, unless the amount in the legal reserve is already equal to or greater than the total paid-in capital. Thereafter, an amount shall be set aside or reversed as a special reserve in accordance with related laws, regulations, or provisions of the competent authorities. Distribution of the remaining profit after setting aside the aforementioned amounts, together with the balance of the unappropriated retained earnings of the previous year as dividends to shareholders, to be proposed by the Board of Directors to be approved at the shareholders' meeting.

The Company operates in an industry with rapid changes, intensive capital and technologies, and the life cycle of the Company is in a stage of stable growth. Therefore, it is necessary to retain surplus needed for operational growth and investment. For the moment, the residual dividend policy is adopted. The distribution of shareholder dividends, in cash or share forms, shall not be lower than 10% of the distributable surplus of the year. The cash dividends shall be no lower than 10% of the total.

The appropriation of earnings of the two most recent years was approved during regular shareholders' meetings held on May 26, 2025 and May 29, 2024, respectively. Information on dividends appropriated to owners is as follows:

	2024		2023	
	Dividends per share	**Amount**	**Dividends per share**	**Amount**
Dividends distributed to owners of common shares:				
Cash (NT$)	**$ 3.60**	**316,633**	**2.30**	**202,293**

The above appropriation of earnings is consistent with the resolutions approved by the Board of Directors. As for the 2025 appropriation of earnings, the Board of Directors would draft a proposal to be resolved at the shareholders' meeting. Information on actual distribution is available at the Market Observation Post System (MOPS).

4. Treasury shares

The Company offers treasury stocks and buys back shares from the Taiwan Stock Exchange. The increase/decrease caused by the buyback are listed as follows:

Unit: thousand shares

	2025				
Reason of recovering shares	**Number of shares at beginning of the period**	**Increase in current period**	**Transfer in current period**	**Cancellation in current period**	**Number of shares at end of the period**
Transfer to employees	1,000	-	-	-	1,000

	2024				
Reason of recovering shares	**Number of shares at beginning of the period**	**Increase in current period**	**Transfer in current period**	**Cancellation in current period**	**Number of shares at end of the period**
Transfer to employees	1,000	-	-	-	1,000

In accordance with provisions of the Securities and Exchange Act, the share buyback rate shall not exceed 10% of total number of shares issued by the Company. The total amount of buyback shares shall not exceed the sum of retained earnings, share premium and realized capital surplus. No treasury stock held by the Company has exceeded the aforementioned limit. In accordance with provisions of the Securities and Exchange Act, the treasury stocks held by the Company cannot be pledged, and are not entitled to the rights of shareholders before being transferred.

5. Non-controlling interests

		2025	2024
Beginning balance	$	118,286	-
Net loss		(26,656)	(22,579)
Origination from business combination		-	140,865
Adjustments to the net fair value acquired in business combination (Note XI(XII))		4,407	-
Ending balance	$	96,037	118,286

(XVIII) Share-based payment

Restricted stock awards:

The company's regular shareholders' meeting resolved on June 21, 2022, to issue 3,000,000 restricted employee stocks to eligible full-time employees of the Company, subject to specific conditions. The issuance has been filed with the Securities and Futures Bureau of the Financial Supervisory Commission for approval. The board of directors has resolved to issue 3,000 thousand shares on February 26, 2025. The legal registration for change of the aforementioned capital increase has been completed.

Employees receiving the restricted stock awards must deliver all units to a designated institutional trustee appointed by the Company for safekeeping before the vesting conditions are met. During this period, employees are prohibited from selling, pledging, or transferring. Other than the restriction on disposal and the requirement to deliver the units to the trust for safekeeping before the vesting conditions are met, the rights associated with the restricted stock units are the same as those of the common shares issued by the Company. In addition, in the event that employees fail to meet the vesting conditions as per the issuance regulations, the shares will be recovered at no cost from the employees and cancelled. The details are as follows:

	Restricted stock awards
	Issued in 2025
Grant date	2025.3.12
Number of shares granted (thousand/unit)	3,000
Contract period	1~5 years
Grantees	Employees
Vesting condition	Note
Subscription price per share (NT$)	0
Adjusted exercise price (NT$)	0

Note: Serving in the Company for one year, two years, three years, four years, and five years since the grant date, the achieving status of the Company's overall performance and personal performance will be reviewed each year, and the restricted stock awards will be vested respectively.

Part of the restricted stock options issued in March 2025 have expired. 55 thousand common shares have been recovered, of which, the registration for change of 35 thousand shares has been completed, and capital surplus has increased by NT$350 thousand. The registration for change of the residual 20 thousand shares hasn't been completed.

The Company recognized NT$136,350 thousand of compensation costs for issue of restricted stock awards for the year ended December 31, 2025, which are presented under operating costs and operating expenses.

As of December 31, 2025, the balance of unearned employees' compensation amounted to NT$231,775 thousand, presented as deductions to other equity.

(XIX) Earnings per Share (EPS)

	2025	2024
Basic EPS:		
Net income attributable to the Company	$ 648,680	534,394
Weighted-average number of ordinary shares (in thousands)	87,954	87,954
Basic EPS (NT$)	$ 7.38	6.08
Diluted EPS:		
Net income attributable to the Company	$ 648,680	534,394
Weighted-average number of ordinary shares (in thousands)	87,954	87,954
Effect of potential diluted common shares:		
Employee compensation to be distributed in shares	496	450
Non-vested restricted stock awards	984	-
Weighted average number of common shares outstanding for the calculation of diluted EPS (in thousands of shares)	89,434	88,404
Diluted EPS (NT$)	$ 7.25	6.04

(XX) Revenue of customer contract

The geographic information is as follows. Of which, revenue was originally classified by the locations of the delivery destinations of products. In consideration of the information offered to the chief operating decision maker to regularly review for evaluating operation, it is classified by the geographic locations of the customers' companies.

	2025	2024
Major regional markets		
Taiwan	$ 1,615,041	1,218,434
Asia	2,330,078	1,967,517
Other areas	529,549	309,717
	$ 4,474,668	**3,495,668**
Major products		
Coiled conductive polymer solid state capacitors	$ 3,044,856	2,447,329
Chip-type conductive polymer solid state capacitors	1,429,812	1,048,339
	$ 4,474,668	**3,495,668**

Please refer to Note VI(IV) for the disclosure of notes and accounts receivable and impairment.

(XXI) Employee compensations and remuneration for Directors

The Company resolved by the shareholders meeting on May 26, 2025 to modify the Articles of Incorporation. In accordance with the modified Articles of Incorporation, if there is profit in the year, at least 8 percent of profit shall be allocated for employee compensation (in the amount of the employee compensation, the portion distributed to non-executive employees shall not be lower than 10 percent), and no more than 3 percent shall be allocated for remunerations of the Directors. However, if the Company has accumulated losses, it shall reserve a portion of the profit to offset the losses in advance. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in affiliated companies who met certain conditions. In accordance with the Articles of Incorporation before modification, if there is profit in the year, at least 8 percent of profit shall be allocated for employee compensation, and no more than 3 percent shall be allocated for remuneration of the Directors. However, if the Company has accumulated losses, it shall reserve a portion of the profit to offset the losses in advance. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in affiliated companies who met certain conditions.

The Company accrued NT$70,733 thousand (including non-executive employees' compensation) and NT$56,791 thousand as employee compensation and NT$20,804 and NT$16,703 thousand as remuneration for Directors for the years ended 2025 and 2024, respectively. These amounts were calculated using the Company's income before income tax before deducting for employee compensation and remuneration for Directors multiplied by the percentages which are stated under the Company's Article of Incorporation. The amounts were recognized as operating costs or operating expenses for the periods. Difference between amount distributed and accrued will be regarded as changes in accounting estimates and reflected in profit or loss in the following year. If employee compensation is resolved to be distributed in shares, the number of shares is determined by dividing the amount of compensation by the closing price of common shares on the day preceding the Board of Directors' meeting.

The amounts allocated for remuneration to employees were NT$56,791 thousand and the remuneration to directors and supervisors were NT$16,703 thousand for the years ended December 31, 2024, which bear no difference from the Board's resolutions. Relevant information can be found at the MOPS.

(XXII) Non-operating income and expenses

1. Other gains and losses, net

The details of other gains and losses for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Net gain (loss) on valuation of financial assets at fair value through profit or loss	$	34,254	(1,338)
Dividend income		19,647	1,621
Gain on disposal of investments (Note VI(VII))		6,130	31,076
Subsidy income		1,170	8,738
Gain (loss) on disposal of property, plant, and equipment		(28,488)	226
Others		305	7,531
	$	33,018	47,854

2. Finance costs

		2025	2024
Interest expenses of loans from banks	$	41,851	30,332
Interest expense of lease liabilities		1,002	990
	$	42,853	31,322

3. Interest income

		2025	2024
Interests on bank deposits	$	37,245	34,094
Other interest income		56	31
	$	37,301	34,125

(XXIII) Financial instruments

1. Credit risk

(1) Maximum credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount of credit risk exposure.

(2) Credit risk concentration

The Group's customers are concentrated in industries such as consumer electronics, computer peripherals and wireless communication and so on. To reduce the credit risk of the accounts receivable, the Group continuously assesses the customers' financial position and regularly evaluates the possibility of the collection of accounts receivable, as well as making allowances for loss. As at December 31, 2025 and 2024, 37% and 43% of the Group's accounts receivables were due from five customers, respectively, resulting in significant credit risk concentration.

(3) Credit risk of accounts receivable and debt securities

Please refer to Note VI(IV) for credit risk exposure of accounts receivable.

Other financial assets at amortized cost included other receivables and time deposits. No impairment loss was recognized.

The aforementioned financial assets have low credit risk, so the allowance loss of the period is measured based on twelve-month expected credit loss (please refer to Note IV(VII) for details on how the Group determines the level of credit risk).

2. Liquidity risk

The following table shows the contractual maturity analysis of financial liabilities(including the impact of interest payable):

	Carrying amount	Contract Cash Flow	Less than 6 months	6-12 months	More than 12 months
December 31, 2025					
Non-derivative financial liabilities					
Short-term loans	$ 2,150,000	2,154,889	2,154,889	-	-
Accounts payable (including related parties)	680,232	680,232	680,232	-	-
Payroll and bonus payable	228,974	228,974	228,974	-	-
Payable on equipment	91,470	91,470	73,415	18,055	-
Expenses payable (recorded as other current liabilities)	182,364	182,364	182,364	-	-
Lease liabilities (including current and non-current)	123,761	123,010	16,291	16,291	90,428
Long-term loans (including within one year)	239,685	243,339	50,996	148,011	44,332
	$ 3,696,486	3,704,278	3,387,161	182,357	134,760

	Carrying amount	Contract Cash Flow	Less than 6 months	6-12 months	More than 12 months
December 31, 2024					
Non-derivative financial liabilities					
Short-term loans	$ 1,420,000	1,423,698	1,423,698	-	-
Accounts payable (including related parties)	537,856	537,856	537,856	-	-
Payroll and bonus payable	191,576	191,576	191,576	-	-
Payable on equipment	36,175	36,175	36,175	-	-
Expenses payable (recorded as other current liabilities)	130,098	130,098	130,098	-	-
Lease liabilities (including current and non-current)	68,401	70,124	14,747	11,459	43,918
Long-term loans (including within one year)	310,819	317,754	51,719	111,748	154,287
	$ 2,694,925	2,707,281	2,385,869	123,207	198,205

3. Exchange rate risk

(1) Exchange rate risk exposure

The Group's financial assets and liabilities exposed to material exchange rate risk were as follows:

	2025.12.31			2024.12.31		
	Foreign currency	**Exchange rate**	**NTD**	**Foreign currency**	**Exchange rate**	**NTD**
Financial assets						
Monetary items						
USD	$ 75,814	31.43	2,382,834	67,355	32.785	2,208,233
RMB	56,631	4.4716	253,231	56,469	4.5608	257,543
Financial liabilities						
Monetary items						
USD	3,876	31.43	121,823	2,726	32.785	89,371

(2) Sensitivity analysis

The Group's exposure to foreign currency risk mainly arises from exchange gains and losses of cash, receivables, accounts payable, and other payables that are denominated in US dollars and RMB. Changes in net income for the years ended December 31, 2025 and 2024 due to depreciation or appreciation of NTD against USD and RMB as of December 31, 2025 and 2024 with all other variables held constant were as follows:

	Range of the fluctuations	**2025**	**2024**
TWD exchange rate	1% depreciation against USD	$ 18,088	16,951
	1% appreciation against USD	$ (18,088)	(16,951)
	1% depreciation against RMB	$ 2,026	2,060
	1% appreciation against RMB	$ (2,026)	(2,060)

(3) Foreign exchange gains (losses) on monetary items

As the Group has a large variety of functional currencies, the exchange gains and losses of monetary items were disclosed on an aggregated basis. The foreign exchange gains (including realized and unrealized) for the years ended December 31, 2025 and 2024 were NT$(43,544) thousand and NT$111,487 thousand, respectively.

4. Interest rate analysis

The interest rate risk exposure of financial assets and financial liabilities of the Group is described in the liquidity risk management of the Notes.

The following sensitivity analysis is determined by the interest rate risk exposure of non-derivative instruments on the reporting date. For liabilities with floating interest rates, the analysis is based on the assumption that the outstanding liabilities on the reporting date have been outstanding all year round. The main reason is the borrowing at floating interest rate. Changes in other comprehensive income for the three months ended December 31, 2025 and 2024 due to changes in interest rate with all other variables held constant were as follows:

	Range of the fluctuations	**2025**	**2024**
Annual borrowing rate	Increase by 1%	$ (19,117)	(13,847)
	Decrease by 1%	$ 19,117	13,847

5. Other price risk

If the price of equity securities changes on the reporting date (adopt the same basis of analysis for both periods, with the assumption that other variable factors remain unchanged), the impact on comprehensive income items were as follows:

	2025		**2024**	
Securities price as of the reporting date	**Other comprehensive income before tax**	**Income before income tax for the period**	**Other comprehensive income before tax**	**Income before income tax for the period**
Increase of 1%	$ 15,367	1,921	10,282	525
Decrease of 1%	(15,367)	(1,921)	(10,282)	(525)

6. Fair value of financial instruments

   (1) Type and fair value of financial instruments

   The Group's financial assets at fair value through profit and loss or through other comprehensive income are measured at fair value on a recurring basis. The carrying amount and fair value of financial assets and liabilities (including information of fair value hierarchy; however, the fair value of financial instruments not at fair value and whose carrying amounts are reasonable approximations of their fair value and lease liabilities are not required to be disclosed) were as follows:

	2025.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - current					
Government bonds	$ 46,416	46,416	-	-	46,416
Financial assets at fair value through profit or loss － non-current					
Limited partnership	$ 10,728	-	-	10,728	10,728
Domestic and foreign unlisted shares	134,980	-	-	134,980	134,980
	$ 145,708	-	-	145,708	145,708
Financial assets at fair value through other comprehensive income － non-current					
Domestic and foreign listed shares	$ 1,256,696	1,256,696	-	-	1,256,696
Domestic and foreign unlisted shares	280,014	-	-	280,014	280,014
	$ 1,536,710	1,256,696	-	280,014	1,536,710
Financial assets at amortized cost					
Cash and cash equivalents	$ 1,760,348	-	-	-	-
Notes and accounts receivables (including related parties)	1,867,525	-	-	-	-
Guaranteed deposits paid	11,482	-	-	-	-
	$ 3,639,355	-	-	-	-

	2025.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at amortized cost					
Short-term borrowings	$ 2,150,000	-	-	-	-
Accounts payables (including related parties)	680,232	-	-	-	-
Payroll and bonus payable	228,974	-	-	-	-
Payables for equipment	91,470	-	-	-	-
Payable expenses (recognized as other current liabilities)	182,364	-	-	-	-
Lease liabilities (including current and non-current)	123,761	-	-	-	-
Long-term borrowings (including current portion)	239,685	-	-	-	-
	$ 3,696,486	-	-	-	-

	2024.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - current					
Government bonds	$ 47,079	47,079	-	-	47,079
Financial assets at fair value through profit or loss － non-current					
Limited partnership	$ 5,409	-	-	5,409	5,409
Financial assets at fair value through other comprehensive income - non-current					
Domestic and foreign unlisted shares	$ 1,028,200	-	-	1,028,200	1,028,200
Financial assets at amortized cost					
Cash and cash equivalents	$ 1,541,797	-	-	-	-
Notes and accounts receivables	1,622,525	-	-	-	-

	2024.12.31				
		Fair value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
(including related parties)					
Guaranteed deposits paid	11,140	-	-	-	-
	$ 3,175,462	-	-	-	-
Financial liabilities at amortized cost					
Short-term borrowings	$ 1,420,000	-	-	-	-
Accounts payables (including related parties)	537,856	-	-	-	-
Payroll and bonus payable	191,576	-	-	-	-
Payables for equipment	36,175	-	-	-	-
Payable expenses (recognized as other current liabilities)	130,098	-	-	-	-
Lease liabilities (including current and non-current)	68,401	-	-	-	-
Long-term borrowings (including current portion)	310,819	-	-	-	-
	$ 2,694,925	-	-	-	-

(2) Valuation techniques for financial instruments that are measured at fair value

If there is an active market for a financial instrument, the fair value of the instrument is based on the quoted market price in the active market. The market prices announced by major exchanges and the central government bond counter trading centers, which are judged to be popular, are the basis for the fair value of listed (over-the-counter) equity instruments and debt instruments with active market quotations.

A financial instrument has an active market for public quotations if public quotations are obtained from an exchange, broker, underwriter, industry association, pricing service or competent authority in a timely manner and on a regular basis, and the price represents an actual and frequent arm's length market transaction. If above conditions are not met, the market is considered inactive. Generally speaking, a large bid-ask spread, a significant increase in the bid-ask spread, or a low trading volume are all indicators of an inactive market.

The fair value of financial instruments held by the Group that are traded in an active market are presented by category and attribute as follows:

The fair values of listed redeemable bonds, listed stocks, bills of exchange and corporate bonds, which are financial assets and financial liabilities with standard terms and conditions and traded in active markets, are determined based on the quoted market prices, respectively.

Except for the above-mentioned financial instruments with active markets, the fair values of the remaining financial instruments are obtained using valuation techniques or by reference to quoted prices from counter-parties. The fair values obtained through valuation techniques may be calculated based on the current fair values of other financial instruments with substantially similar conditions and characteristics, discounted cash flow method or other valuation techniques, including the models based on market information available at the date of the consolidated balance sheet (e.g., over-the-counter (OTC) reference yield curves, Reuters average quoted commercial paper rates).

The fair value of financial instruments held by the Group that do not have an active market is estimated using the Comparable Listed Company Act and the net asset value method, with the main assumptions of the Comparable Listed Company Act being the net share price multiplier and the cost-benefit ratio multiplier of comparable listed companies, the multiplier of estimated EBITA and the entity’s operating revenue multiplier. The net asset value method is used to assess the total value of the individual assets and liabilities covered by the valuation technique to reflect the overall value of the Company. This estimate adjusts for the effect of the lack of marketability of the equity securities at a discount.

(3) Transfers between Level 1 and Level 2 fair value hierarchy: None.

(4) Details of changes in Level 3 fair value hierarchy:

	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income – without an active market
Balance as of January 1, 2025	$ 5,409	1,028,200
Addition	136,000	34,203
Refund of payment for shares for capital reduction	-	(9,806)
Total gains or losses		
Recognized in profit or loss	4,299	-
Recognized in other comprehensive income	-	(77,007)
Transferred from level 3 (Note)	-	(695,576)
Balance as of December 31, 2025	$ 145,708	280,014
Balance as of January 1, 2024	$ -	212,957
Addition	6,000	260,000
Reduction of capital and return of share capital contributions	-	(6,318)
Recognized in profit or loss	(591)	-
Recognized in other comprehensive income	-	561,561
Balance as of September 30, 2024	$ 5,409	1,028,200

Note: The financial assets have been transferred from level 3 for becoming active.

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

The Group classified the financial assets at fair value through profit or loss - non-current, and financial assets measured at fair value through other comprehensive income and loss – non-current as recurring level 3 fair values in the fair value hierarchy due to the use of significant unobservable inputs. The significant unobservable inputs are independent, therefore, there is no correlation between them. Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable input	Relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through profit or loss – non-current (limited partnership)	Net asset value method	• Net asset value • Marketability discount (9% for December 31, 2025 and 2024)	• The higher the value of net asset, the higher the fair value • The higher the marketability discount, the lower the fair value
Financial asset at fair value through other comprehensive income - non-current (investments in equity instrument without active market)	Net asset value method	• Net asset value • Marketability discount (9% for December 31, 2025 and 2024)	• The higher the value of net asset, the higher the fair value • The higher the marketability discount, the lower the fair value
Financial asset at fair value through other comprehensive income - non-current (investments in equity instrument without active market)	Market approach	• Price-book ratio (PBR) multiples (1.19~2.88 and 0.98~3.22 as of December 31, 2025 and 2024) • Price-earnings ratio (PER) multiples (15.43 and 17.45~18.83 as of December 31, 2025 and 2024) • Marketability discount (14.65%~26.03% and 17.60%~19.66% as of December 31, 2025 and 2024) • Value-to-sales multiplier (3.92 as of December 31, 2024) • Value-to-EBITA multiplier (19.42 as of December 31, 2024)	• The higher the price-book ratio, the higher the fair value • The higher the price-to-earnings ratio, the higher the fair value • The higher the marketability discount, the lower the fair value • The higher the value-to-sales multiplier, the higher the fair value • The higher the value-to-EBITA multiplier, the higher the fair value

(6) Fair value measurement for Level 3, and sensitivity analysis of fair value on reasonably possible alternative assumptions

The Group's fair value measurement on the financial instruments is considered reasonable; however, when different valuation model or valuation parameters are used, it may lead to different valuation result. If valuation parameters change, financial instruments classified as Level 3 will have effects on the profit/loss or other comprehensive income, stated as follows:

	Inputs	Upward or downward change	Fair value change reflected in profit or loss		Fair value change reflected in other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
December 31, 2024						
Financial assets measured at fair value through profit or loss						
Investments in equity instruments without active market	Marketability discount	±1%	1,457	(1,457)	-	-
	Net asset value method	±1%	1,457	(1,457)	-	-
Financial assets measured at fair value through other comprehensive income						
Investments in equity instruments without active market	Marketability discount	±1%	-	-	2,800	(2,800)
	Net asset value method	±1%	-	-	1,148	(1,148)
	Price-book ratio (PBR) multiples	±1%	-	-	1,607	(1,607)
	Price-earnings ratio (PER) multiples	±1%	-	-	46	(46)
December 31, 2024						
Financial assets measured at fair value through profit or loss						
Investments in equity instrument without active market	Marketability discount	±1%	54	(54)	-	-
	Net asset value method	±1%	54	(54)	-	-
Financial assets measured at fair value through other comprehensive income						
Investments in equity instrument without active market	Marketability discount	±1%	-	-	10,282	(10,282)
	Net asset value method	±1%	-	-	1,050	(1,050)
	Price-book ratio (PBR) multiples	±1%	-	-	2,277	(2,277)
	Price-earnings ratio (PER) multiples	±1%	-	-	1,907	(1,907)
	Value-to-sales multiplier	±1%	-	-	6,956	(6,956)
	Value-to-EBITA multiplier	±1%	-	-	6,956	(6,956)

The Group’s favorable and unfavorable changes refer to fluctuation of fair value, and the fair value is calculated according to unobservable inputs of different levels via the valuation technique. The fair value of the financial instrument is affected by more than one inputs, the table above only reflects the effect caused by the change of one single input, and the correlation and difference among inputs are not considered.

(XXIV) Financial risk management

1. Overview

The Group is exposed to the following risks due to usage of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

2. Risk management framework

The Board of Directors is solely responsible for overseeing the risk management of the Group. The Group's risk management policies are formulated to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes market conditions and the Group's activities.

The financial management department of the Company provides services for the business units, coordinates the operation of the domestic financial market, and supervises and manages financial risks related to the operation of the Group by analyzing the internal risk reports of the risks according to the level and scope of risks. These risks include credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other market price risks).

3. Credit risk

   The main credit risk the Group faces is caused by the potential impact of the counterparty or other party of the financial asset transaction failing to meet its contractual obligations. The Group deposits its cash in creditworthy banks with low credit risk.

   The main credit risk of the Group arises from financial products derived from cash and accounts receivable. The Group deposits its cash in various financial institutions. The Group controls exposure to the credit risk of each financial institution and believes that there is no concentration of significant credit risk for the cash.

   The credit risk exposure of the Group is influenced by the conditions of each individual customer. The management also considers the statistical data on the basis of the Group customers, including the default risk of industry and country, as these factors play a role in credit risk. To lower credit risk, management of the Group appoints a dedicated team to make decisions on credit limits, credit approval and other monitoring procedures to ensure that appropriate actions are taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of all accounts receivable on the balance sheet dates to ensure that impairment loss is recognized for unrecoverable accounts receivable.

   The Group did not provide any endorsements or guarantees to parties other than the subsidiaries for the years ended December 31, 2025 and 2024.

4. Liquidity risk

   Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The method of the Group adopts for managing liquidity lies in ensuring sufficient working capital to pay for due liabilities under normal and pressing circumstances so as to avoid unacceptable losses or risk of damage to goodwill. The Group supports business operations and reduces cash flow fluctuation through appropriate management and the maintenance of sufficient cash. The management of the Group supervises the use of the credit line and ensures compliance with the terms of the loan contracts.

5. Market risk

Market risk refers to the risk of the value of revenue or held financial instruments being influenced by market price changes, such as exchange rate and interest rate. The objective of market risk management lies in optimizing the investment return by controlling the market risk exposure within the bearable scope.

(1) Exchange rate risk

The Group is exposed to currency risk arising out of sales, procurement and loan transaction through functional currency valuation from its entities. The Group's functional currency is New Taiwan dollars. The main valuation currencies for these types of transactions includes USD and RMB.

Loan interest is denominated in the currency of the loan. Generally speaking, the currency of the loan is the same as the currency of the cash flow generated by the operation of the Group, which is mainly NTD and USD. This provides economic hedging without signing derivatives, so hedging accounting is not adopted.

For monetary assets and liabilities denominated in other foreign currencies, when a short-term imbalance occurs, the Group purchases or sells foreign currencies at the real-time exchange rate to ensure that net risk exposure remains at an acceptable level.

(2) Interest rate risk

The short-term borrowings of the Group are debts with floating interest rates, so changes in market interest rates will cause the effective interest rate of short-term borrowings to change accordingly, leading to fluctuations in future cash flows.

(XXV) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize owner value.

The Group operates in an industry with rapid changes, intensive capital and technologies, and the life cycle of the Company is in a stage of stable growth. Therefore, it is necessary to retain surplus needed for operational growth and investment. For the moment, the residual dividend policy is adopted. The distribution of shareholder cash dividends shall not be lower than 10% of the distributable surplus of the year.

The Group's management periodically reassesses the capital structure every six months, with the scope covering capital costs of various categories and related risks. The Group will distribute dividend, issue new shares, issue new bonds, or repay old debts among other methods to balance its overall capital structure in accordance with the recommendations of its management.

The Group's debt-to-adjusted-capital ratio at the reporting date was as follows:

		2025.12.31	2024.12.31
Total liabilities	$	3,796,921	2,819,586
Less: Cash and cash equivalents		(1,760,348)	(1,541,797)
Net liabilities	$	2,036,573	1,277,789
Total equity	$	4,895,506	4,038,760
Debt-to-capital ratio		41.60%	31.64%

(XXVI) Non-cash financing activities

The Group's non-cash investing and financing activities for the years ended December 31, 2025 and 2024 were as follows:

1. For right-of-use assets obtained via leases, please refer to Note VI(IX).
2. Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes		
	2025.1.1	Cash flow	Change in Exchange fluctuations	Other changes	2025.12.31
Short-term loans	$ 1,420,000	730,000	-	-	2,150,000
Lease liabilities	68,401	(28,239)	3,250	80,349	123,761
Long-term loans (including within one year)	310,819	(71,134)	-	-	239,685
	$ 1,799,220	630,627	3,250	80,349	2,513,446

			Non-cash changes			
	2024.1.1	Cash flow	Change in Exchange fluctuations	Acquisition in business combinations	Other changes	2024.12.31
Short-term loans	$ 837,000	583,000	-	-	-	1,420,000
Lease liabilities	24,662	(27,877)	483	15,079	56,054	68,401
Long-term loans (including within one year)	462,500	(151,681)	-	-	-	310,819
	$ 1,324,162	403,442	483	15,079	56,054	1,799,220

VII. Related Party Transactions

(I) Related parties' name and relationships

Name of related party	Relationship with the Group
TAI-TECH Advanced Electronics Co.,Ltd. (TAI-TECH)	Entity that has significant influence on the Group
JDX Technology co., Ltd. (JDX Technology)	Subsidiary of TAI-TECH (Note 1)
Shenzhen Gather Electronics Science Co., Ltd. (Shenzhen Gather)	Associates of the Group accounted for under the equity method
Hubei Gather Electronics Science Co., Ltd. (Hubei Gather)	Subsidiaries controlled by Shenzhen Gather Electronics Science Co., Ltd.
AiPAQ Technology Co., Ltd (AiPAQ Technology)	Subsidiary of the Company (Note 2)

Note 1: The company is originally the associate accounted for using equity method of the Group. As the Company sold all the shares to TAI-TECH on November 1, 2024, the company became the subsidiary of TAI-TECH since that date.

Note 2: The company is originally the associate accounted for using equity method of the Company. The company became the subsidiary of the Company since February 15, 2024.

(II) Significant transactions with related parties

1. Operating revenue

	2025	2024
Hubei Gather	$ 29,890	92,818
JDX Technology	763	775
	$ 30,653	93,593

The sales price to related parties and non-related parties is determined by the specifications of the products being sold, and some products are given discounts of varying degrees depending on the quantity sold. Therefore, the pricing strategy is not significantly different. The credit conditions of the related parties are from 90 days to 150 days based on the monthly statement. The credit conditions of general customers are determined by the individual client’s past transaction experience and the results of debt evaluation. The range is between 60 to 150 days.

2. Purchases

		2025	2024
Hubei Gather	$	30,336	26,308
AiPAQ Technology		-	698
	$	30,336	27,006

The purchase price from related parties is based on the general market price. The payment terms are 30 to 90 days from end of month for general suppliers, and 60 to 90 days from end of month for related parties.

3. Receivables from related parties

Financial Statement Account	Category of related parties		2025.12.31	2024.12.31
Accounts receivable	Hubei Gather	$	45,038	73,026
Accounts receivable	JDX Technology		125	334
		$	45,163	73,360

4. Payables to related parties

Financial Statement Account	Category of related parties		2025.12.31	2024.12.31
Accounts payable	Hubei Gather	$	943	10,162
Other payable	JDX Technology		-	141
		$	943	10,303

5. Property Transactions

The Group sold 23.33% of the shares of JDX Technology to the related party, TAI-TECH in November 2024. The proceeds from the disposal are NT$2,202 thousand, and the gains or losses on disposal are NT$317 thousand. As of December 31, 2024, the payments have been collected in full.

(III) Transactions with key management personnel

Remuneration of major managerial personnel includes:

		2025	2024
Short-term employee benefits	$	61,082	57,755
Benefits after retirement		351	432
	$	61,433	58,187

VIII. Pledged Assets: None.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments: None.

X. Significant Disaster Loss: None.

XI. Significant Subsequent Events: None.

XII. Others

The following is the summary statement of employee benefits and depreciation expenses by function:

Function / Type	2025			2024		
	Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefit expenses						
Salary expense	448,835	435,466	884,301	376,037	268,465	644,502
Labor and health insurance expense	2,687	13,105	15,792	2,011	11,699	13,710
Pension expense	1,941	6,459	8,400	1,479	5,914	7,393
Other employee benefits expenses	6,716	11,904	18,620	5,840	10,123	15,963
Depreciation	204,481	56,871	261,352	204,737	51,254	255,991
Amortization	184	6,404	6,588	124	4,845	4,969

XIII. Supplementary Disclosures

(I) Significant transactions information

Relevant information about significant transactions to be disclosed by the Group in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers is as follows:

1. Financing provided to others:

No.	Lending Company	Borrower	Subject	Whether A Related Party	Maximum Balance in Current Period	Ending Balance	Amount actually drawn	Interest rate range	Nature of loan	Business transaction amount	Reason for Short-term Financing	Loss allowance	Collateral		Limit on Financing to A Single Party	Total Limit on Financing
													Name	Value		
0	The Company	Apaq Wuxi	Other receivables - related parties	Yes	166,025	157,150	-	-	Business Transaction	2,756,089	Business needs of subsidiary	-		-	479,946	1,919,787
0	The Company	Apaq Hubei	Other receivables - related parties	Yes	166,025	157,150	-	-	Short-term Financing	-	Business needs of subsidiary	-		-	479,946	1,919,787
0	The Company	APAQ Thailand	Other receivables - related parties	Yes	62,860	62,860	-	-	Short-term Financing	-	Business needs of subsidiary	-		-	479,946	1,919,787
0	The Company	Aipaq Technology	Other receivables - related parties	Yes	100,000	100,000	42,000	2.1%	Short-term Financing	-	Business needs of subsidiary	-		-	479,946	1,919,787

Note 1: For firms or companies having business relationships with the Company, the financing amount to an individual party is limited to the transaction amount between both parties.

Note 2: The amount of financing to an individual entity shall be limited to 10% of the equity attributable to owners of the parent company in the balance sheet of the Company's consolidated financial statements as audited (reviewed) by CPAs in the most recent period. Total amount of financing to external parties shall be limited to 40% of the equity attributable to the owners of the parent company in the balance sheet of the Company's consolidated financial statements as audited (reviewed) by CPAs in the most recent period.

2. Endorsement or guarantee provided to others

No.	Name of Endorsement/ Guarantee Provider	Object of Endorsements/ Guarantees		Limit on Endorsements/ Guarantees Provided for A Single Party	Maximum Balance of Endorsements/Guarantees in Current Period	Ending Balance of Endorsement and Guarantee	Amount actually drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable	Guarantee Provided by Parent Company to A Subsidiary	Guarantee Provided by A Subsidiary to Parent Company	Guarantee Provided to Subsidiaries in Mainland China
		Name	Relationship										
0	The Company	Apaq Wuxi	Subsidiary	4,799,469	166,025	157,150	-	-	3.27%	4,799,469	Y	N	Y
0	The Company	Apaq Hubei	Subsidiary	4,799,469	166,025	157,150	-	-	3.27%	4,799,469	Y	N	Y
0	The Company	APAQ Thailand y	Subsidiary	4,799,469	62,860	62,860	-	-	1.31%	4,799,469	Y	N	N
0	The Company	Aipaq Technology	Subsidiary	4,799,469	100,000	100,000	-	-	2.08%	4,799,469	Y	N	N

Note 1: The amount of the endorsements/guarantees to a single enterprise shall be limited to the amount of equity attributable to the owners of the parent company in the balance sheet of the Company's consolidated financial statements as audited (reviewed) by CPAs in the most recent period.

Note 2: The total amount of endorsements/guarantees to external parties shall be limited to the amount of equity attributable to the owners of the parent company in the balance sheet of the Company's consolidated financial statements as audited (reviewed) by CPAs in the most recent period.

3. Holding of significant marketable securities at the end of the period (excluding investments in subsidiaries, associates and joint ventures):

Name of Held Company	Type and Name of Marketable Securities	Relationship with the Issuer	Financial Statement Account	End of the Period				Remark
				Shares	Carrying amount	Shareholding %	Fair value	
The Company	U.S. Treasury bonds	None	Financial assets at fair value through profit or loss - current	16,000	46,416	- %	46,416	
The Company	AyeVest Investment	None	Financial assets at fair value through profit or loss – non-current	-	10,728	5.65%	10,728	
The Company	Sunrise Innovation	Related party	Financial assets at fair value through profit or loss – non-current	3,000	34,980	13.95%	34,980	
The Company	Phoenix VII	None	Financial assets at fair value through fair value - non-current	10,000	100,000	4.43%	100,000	
The Company	TAI-TECH	Related party	Financial assets at fair value through other comprehensive income - non-current	117	17,140	0.11%	17,140	
The Company	Syntec Technology	None	Financial assets at fair value through other comprehensive income - non-current	1,438	1,239,556	2.00%	1,239,556	
The Company	Foxfortune Technology Ventures Limited	None	Financial assets at fair value through other comprehensive income - non-current	499	15,845	5.80%	15,845	
The Company	Inpaq Korea	None	Financial assets at fair value through other comprehensive income - non-current	18	4,577	10.73%	4,577	
The Company	Element I Venture Capital	None	Financial assets at fair value through other comprehensive income - non-current	880	9,803	3.64%	9,803	
The Company	Kuan Kun Electronic	None	Financial assets at fair value through other comprehensive income - non-current	3,770	79,441	5.39%	79,441	
The Company	AICP Technology	None	Financial assets at fair value through other comprehensive income - non-current	240	2,095	3.20%	2,095	
The Company	IPU Semiconductor	None	Financial assets at fair value through other comprehensive income - non-current	800	25,248	8.00%	25,248	
The Company	WK Technology Fund IX II	None	Financial assets at fair value through other comprehensive income - non-current	3,000	27,360	2.67%	27,360	
The Company	I-See Vision Technology	None	Financial assets at fair value through other comprehensive income - non-current	4,670	53,895	11.92%	53,895	
The Company	Phoenix VI	None	Financial assets at fair value through other comprehensive income - non-current	5,000	61,750	2.54%	61,750	

4. Related party transactions with purchase or sales amount of at least NT$100 million or 20 percent of the paid-in capital:

Company of purchase (sales)	Name of the counterparty	Relationship	Transaction Details				Situation and reason of why transaction conditions are different from general transactions		Notes/Accounts Receivable or Payable		Remarks
			Purchases (sales)	Amount	Ratio of total purchase (sales)	Credit period	Unit price	Credit period	Balance	Ratio to Total Notes/Accounts Receivable or Payable	
The Company	Apaq Wuxi	Subsidiary	Purchases	2,756,089	99 %	60 days from the end of the month	-	Note 1	(585,048)	97%	Note 2
The Company	Apaq Wuxi	Subsidiary	Sales	111,789	3 %	60 days from the end of the month	-	Note 1	40,523	3%	Note 2
Apaq Wuxi	Apaq Hubei	Same parent company	Purchases	794,202	38 %	120 days from the end of the month	-	Note 1	(251,573)	31%	Note 2

Note 1: The payment period of general suppliers ranges from net 30 days to 90 days on the monthly statement, and the payment period for Apaq Wuxi and Apaq Hubei is net 60 days and net 120 days, respectively.

Note 2: Related transactions and closing balances have been eliminated from the consolidated financial statements.

5. The receivables from related party to reach NT$ 100 million or 20% of actually received capital amount:

Company Name	Name of the counterparty	Relationship	Balance of Receivables from Related Parties	Turnover rate	Overdue Receivables from Related Parties		Amounts Received in Subsequent Periods (Note 2)	Loss allowance
					Amount	Action taken		
Apaq Wuxi	The Company	Subsidiary	585,048	-	-	-	237,434	-
APAQ Hubei	Apaq Wuxi	The same parent company	251,573	-	-		77,835	-

Note 1: It refers to the recovery status as of January 21, 2026.

6. Parent-subsidiary company business relation and significant transactions:

No.	Name of Trader	Name of Counterparty	Relation with the Transacting Party	Conditions of Transactions			
				Account	Amount	Terms of Transaction	Ratio to Consolidated Revenue or Total Assets
0	The Company	Apaq Wuxi	Parent company to a subsidiary	Purchases	2,756,089	60 days from the end of the month	62%
0	The Company	Apaq Wuxi	Parent company to a subsidiary	Sales	111,789	60 days from the end of the month	2%
0	The Company	Apaq Wuxi	Parent company to a subsidiary	Accounts payable	585,048	60 days from the end of the month	7%
1	Apaq Wuxi	Apaq Hubei	Subsidiary to Subsidiary	Purchases	794,202	120 days from the end of the month	18%
1	Apaq Wuxi	Apaq Hubei	Subsidiary to Subsidiary	Accounts payable	251,573	120 days from the end of the month	3%

(II) Information on reinvestment:

The information on investees is as follows (excluding investees in Mainland China):

Name of Investor	Name of investees	Primary Business	Primary business activities	Original Investment Amount		Shares held at the end of the period			Midterm maximum capital contribution ratio	Current income (loss) of the investee	Investment Profit or Loss Recognized in the Current Period	Remarks
				End of the period	End of Last Year	Shares	%	Carrying amount				
The Company	APAQ Samoa	Samoa	Holding	1,482,482	1,405,325	47,892	100.00%	2,922,881	100.00%	240,011	284,171	Subsidiary, Note 1 and Note 2
The Company	AiPAQ Technology	Taiwan	Production and sales of electronic components	181,920	181,920	11,440	52.00%	158,711	52.00%	(54,769)	(28,878)	Subsidiary, Note 1 and Note 2
The Company	APAQ Thailand	Thailand	Production and sales of electronic components	46,300	-	20,000	99.99%	49,000	99.99%	(1,046)	(1,046)	Subsidiary, Note 1 and Note 2

Note 1: Share of profit/loss includes adjustments for upstream transactions between affiliates.

Note 2: Related transactions and closing balances have been eliminated from the consolidated financial statements.

(III) Information on investments in Mainland China:

1. Information on reinvestments in Mainland China:

Name of Investee	Primary business activities	Paid-in Capital	Method of Investment	Beginning Balance of Accumulated Outflow of Investment from Taiwan	Remittance or Recovery of Investment the Current Period		Ending Balance of Accumulated Outflow of Investment from Taiwan	Current income (loss) of the investee	The Company's Percentage of Direct or Indirect Ownership	Midterm maximum capital contribution ratio	Investment Gains (Losses) Recognized in the Current Period	Carrying Amount of Investment at the End of Period	Ending Balance of Accumulated Inward Remittance of Earnings	Remarks
					Outward Remittance	Recovery								
Apaq Wuxi	Production and sales of electronic components	1,317,225 (USD44,200 thousand)	Note 2	1,293,113 (USD41,700 thousand)	77,157 (USD2,500 thousand)	-	1,370,270 (USD44,200 thousand)	240,758	100.00%	100.00%	240,758 Note 3	2,870,557	-	Note 4
Shenzhen Gather Electronics Science Co., Ltd.	Production and sales of electronic components	71,546 (RMB16,000 thousand)	Note 2	53,997 (RMB11,900 thousand)	-	-	53,997 (RMB11,900 thousand)	24,707	35.00%	35.00%	3,875 Note 3	58,180	-	Associate
Apaq Hubei	Production and sales of electronic components	265,491 (USD8,800 thousand)	Note 1	256,755 (USD8,800 thousand)	-	-	256,755 (USD8,800 thousand)	61,739	100.00%	100.00%	63,668 Note 3	521,823	-	Note 4

2. Limits of reinvestments in mainland China:

Accumulated investment remitted from Taiwan to Mainland China at the end of the period (Note 5)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 5)	Upper limit on investment authorized by MOEAIC
1,681,022 (USD53,000 thousand and RMB11,900 thousand)	1,797,313 (USD58,700 thousand and RMB11,900 thousand)	(Note 6)

Note 1: Direct investment in Mainland China.

Note 2: Investment in Mainland China indirectly through a third area.

Note 3: It was recognized based on financial statements of the same period audited by CPAs of the company.

Note 4: Related transactions and closing balances have been eliminated from the consolidated financial statements.

Note 5: The paid-in capital is converted into NT dollars at the exchange rate on the balance sheet date. The amount of investment remitted in the current period is converted into NT dollars at previous exchange rates. The investment amount approved by Investment Commission, MOEA of USD 58,700 thousand and RMB 11,900 thousand is converted into NT dollars at previous exchange rates. In addition, as of December 31, 2025, the approved investment amount was US$5,700 thousand, of which US$2,000 thousand had not been automatically lapsed for three years, and the remaining US$3,700 thousand has not been remitted.

Note 6: The Company has obtained the certificate letter of enterprise headquarters operation scope issued by the Industrial Development Bureau, MOEA. The upper limits for investments in Mainland China set by the Investment Commission, MOEA no longer apply.

3. Substantial transactions:

Please refer to the "Information on significant transactions" for direct or indirect material transactions between the Group and investees in China (which have been eliminated during the preparation of consolidated financial statements) for the years ended December 31, 2025.

XIV. Segment Information

(I) General information and segment information

The Group focuses on producing ultra-small, high temperature-resistant, long life, low impedance electrolytic capacitors and cooperates with customers to develop and manufacture high voltage capacitors, chip capacitors, organic semiconductor solid capacitors and high energy storage capacitors. It is a single operating segment. The information of the operating segment is consistent with the consolidated financial statements. Please refer to the consolidated statements of comprehensive income for revenue (revenue from external customers) and income/loss of the segment and the consolidated balance sheet for segment information.

(II) Information on product categories

Please refer to Note VI(XX) for information on product for the years ended December 31, 2025 and 2024.

(III) Geographical information

The Group compiled the following information. Of which, revenue was originally classified by the locations of the delivery destinations of products. In consideration of the information offered to the chief operating decision maker to regularly review for evaluating operation, it is classified by the geographic locations of the customers' companies. Non-current assets are classified based on the geographic locations of the assets.

1. Revenue from external customers:

   Please refer to Note VI(XX) for information on revenue from external customers for the years ended December 31, 2025 and 2024.

2. Non-current assets:

	2025.12.31	2024.12.31
Asia	$ 1,805,599	1,364,280
Taiwan	394,343	278,697
	$ 2,199,942	1,642,977

Note: Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and other non-current assets.

(IV) Major customer information

Customers accounting for more than 10% of the Group's net operating revenues include:

	2025		2024	
	Amount	**Percentage of net operating revenue for the current period**	**Amount**	**Percentage of net operating revenue for the current period**
Customer A	$ 538,483	12	413,231	12
Customer C	502,847	11	266,276	8
Customer B	403,064	9	364,173	10
	$ 1,444,394	**32**	**1,043,680**	**30**