Stock Code: 6449

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

For the Three Months Ended March 31, 2026 and 2025

Address: 4F., No.2 & 6, Kedong 3rd Rd., Chunan Township, Miaoli County
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Table of Contents

Independent Auditors' Review Report

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

Introduction

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

Scope of Review

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

Basis for Qualified Opinion

As explained in Note VI(VI) to the consolidated financial statements, the investments accounted for using equity method of APAQ TECHNOLOGY CO., LTD. and subsidiaries as of March 31, 2026 and 2025 amounted to NT$64,490 thousand and NT$57,944 thousand, respectively, and the share of profit or loss of associates accounted for using equity method for the three months ended March 31, 2026 and 2025 amounted to NT$715 thousand and NT$1,360 thousand, respectively, which were based on the financial statements of those investee companies for the same period not reviewed by independent auditors.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain non-significant subsidiaries and investee companies been reviewed by independent accountants as described in the preceding paragraph, that we might have become aware of had it not been for the situation described above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of APAQ TECHNOLOGY CO., LTD. and subsidiaries as of March 31, 2026 and 2025, and of its consolidated financial performance as of and for the three-month periods ended March 31, 2026 and 2025, and its consolidated financial performance and cash flows for the three-month periods then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Taiwan

Certified public accountant	:	
Securities Competent Authority Approval No.	:	Jin-Guan-Zheng-Shen-Zi No. 1040007866 Jin-Guan-Zheng-Shen-Zi No. 1060005191

May 5, 2026

APAQ TECHNOLOGY CO., LTD. and Subsidiaries

Consolidated Balance Sheet

March 31, 2026, December 31, 2025, and March 31, 2025

Unit: NT$ thousands

		2026.3.31		2025.12.31		2025.3.31	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents [Note VI(I)]	$ 1,908,235	19	1,760,348	20	1,863,271	26
1110	Financial assets at fair value through profit or loss - current [Note VI(II)]	-	-	46,416	1	49,069	1
1150	Notes receivable [Note VI(IV)]	13,789	-	32,676	-	48,475	1
1170	Accounts receivable [Note VI(IV)]	1,748,353	18	1,789,686	21	1,370,950	19
1180	Accounts receivable - related parties [Notes VI(IV) & VII]	45,540	-	45,163	1	83,389	1
1310	Inventories, net [Note VI(V)]	1,143,755	12	907,260	10	759,180	11
1479	Other current assets [Note VI(IX)]	174,551	2	113,401	1	84,673	1
		5,034,223	51	4,694,950	54	4,259,007	60
	Non-current assets:						
1510	Financial assets at fair value through profit or loss - non-current [Note VI(II)]	141,110	2	145,708	2	5,385	-
1517	Financial assets at fair value through other comprehensive income - non-current [Note VI(III)]	2,086,484	21	1,536,710	17	1,026,126	14
1550	Investments accounted for under the equity method [Note VI(VI)]	64,490	1	58,180	1	57,944	1
1600	Property, plant and equipment [Note VI(VII)]	2,089,026	21	1,898,972	21	1,492,436	21
1755	Right-of-use assets [Note VI(VIII) and (XIII)]	127,877	1	133,031	2	71,266	1
1780	Intangible assets [Note VI(IX)]	81,165	1	82,775	1	85,144	1
1840	Deferred income tax assets	38,594	-	45,455	1	35,270	1
1920	Refundable deposits	11,498	-	11,482	-	11,505	-
1990	Other non-current assets [Note VI(X)]	163,370	2	85,164	1	99,729	1
		4,803,614	49	3,997,477	46	2,884,805	40
	Total assets	**$ 9,837,837**	**100**	**8,692,427**	**100**	**7,143,812**	**100**

		2026.3.31		2025.12.31		2025.3.31	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term loans [Note VI(XI)]	$ 2,250,000	24	2,150,000	25	1,605,000	22
2170	Accounts payable	767,770	8	679,289	9	460,820	6
2180	Accounts payable - related parties [Note VII]	27	-	943	-	8,529	-
2201	Payroll and bonus payable	231,229	2	228,974	3	180,800	3
2213	Payable on equipment	132,433	1	91,470	1	79,768	1
2280	Lease liabilities - current [Note VI(XIII)]	32,776	-	32,100	-	21,618	-
2322	Long-term loans due within one year or one operating cycle [Note VI(XII)]	190,276	2	195,635	1	146,134	2
2399	Other current liabilities	319,789	3	273,014	3	263,654	4
		3,924,300	40	3,651,425	42	2,766,323	38
	Non-current liabilities:						
2540	Long-term loans [Note VI(XII)]	25,000	-	44,050	1	140,276	2
2570	Deferred tax liabilities	28,551	-	9,785	-	8,322	-
2580	Lease liabilities - non-current [Note VI(XIII)]	85,704	1	91,661	1	39,711	1
		139,255	1	145,496	2	188,309	3
	Total Liabilities	4,063,555	41	3,796,921	44	2,954,632	41
	Equity [Note VI (XVI) and (XVII)]:						
3100	Share capital	918,985	9	919,185	10	919,535	13
3200	Capital surplus	1,105,640	11	1,107,002	13	1,113,527	16
3300	Retained earnings	2,259,129	23	2,037,661	23	1,839,446	26
3400	Other equity	1,439,215	15	775,995	9	241,022	3
3500	Treasury shares	(40,374)	-	(40,374)	-	(40,374)	(1)
	Total equity attributable to owners of the parent company	5,682,595	58	4,799,469	55	4,073,156	57
36XX	Non-controlling interests [Note VI(XVI)]	91,687	1	96,037	1	116,024	2
	Total equity	5,774,282	59	4,895,506	56	4,189,180	59
	Total liabilities and equity	**$ 9,837,837**	**100**	**8,692,427**	**100**	**7,143,812**	**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 three months ended March 31, 2026 and 2025

Unit: NT$ thousands

		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	**%**	**Amount**	**%**
4110	Net sales revenue [Notes VI(XIX) & VII]	$ 1,128,235	100	905,019	100
5110	Cost of goods sold [Notes VI(V), (VII), (VIII), (XVII), (XX) & VII]	713,112	63	620,734	69
5950	**Gross profit**	415,123	37	284,285	31
6000	Operating expenses [Notes VI(VII), (VIII), (XIII), (XVII), (XX) & VII]:				
6100	Selling expenses	55,973	5	43,298	5
6200	Administrative expenses	98,388	9	64,977	7
6300	Research and development expenses	44,070	4	36,230	4
	Total operating expenses	198,431	18	144,505	16
6900	**Operating income**	216,692	19	139,780	15
7000	**Non-operating income and expenses:**				
7020	Other gains and losses [Notes VI(II) & (XXI)]	10,879	1	8,110	1
7050	Finance costs [Notes VI(XIII) & (XXI)]	(12,482)	(1)	(9,245)	(1)
7100	Interest income [Notes VI(XXI)]	6,390	-	5,987	1
7230	Foreign exchange gain (loss) [Note VI(XXII)]	17,925	2	23,283	3
7370	Share of profit or loss of associates accounted for under the equity method [Note VI(VI)]	715	-	1,360	-
	Non-operating income and expenses, net	23,427	2	29,495	4
7900	**Income before income tax**	240,119	21	169,275	19
7950	Less: Income tax expense [Note VI(XV)]	58,463	5	40,622	5
	Net income for the period	181,656	16	128,653	14
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	565,823	50	(25,130)	(3)
	Total of items that may not be reclassified subsequently to profit or loss	565,823	50	(25,130)	(3)
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Financial statements translation differences of foreign operations	119,591	11	41,604	5
8399	Income tax related to items that may be reclassified [Note VI(XV)]	(23,918)	2	(8,321)	1
	Total of items that may be reclassified subsequently to profit or loss	95,673	9	33,283	4
8300	**Other comprehensive income, net of tax**	661,496	59	8,153	1
8500	**Total comprehensive income for the year**	**$ 843,152**	**75**	**136,806**	**15**
	Net income attributable to:				
8610	Owners of the parent company	$ 186,006	16	135,322	15
8620	Non-controlling interests	(4,350)	-	(6,669)	(1)
		$ 181,656	**16**	**128,653**	**14**
	Total comprehensive income attributable to:				
8710	Owners of the parent company	$ 847,502	75	143,475	16
8720	Non-controlling interests	(4,350)	-	(6,669)	(1)
		$ 843,152	**75**	**136,806**	**15**
	Earnings per share (Unit: NT$) [Note VI(XVIII)]				
9750	Basic earnings per share	**$ 2.11**		**1.54**	
9850	Diluted earnings per share	**$ 2.08**		**1.53**	

(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 three months ended March 31, 2026 and 2025

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 employees' compensation	Total	Treasury shares	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2025	$ 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	-	-	-	-	135,322	135,322	-	-	-	-	-	135,322	(6,669)	128,653
Other comprehensive income for the period	-	-	-	-	-	-	33,283	(25,130)	-	8,153	-	8,153	-	8,153
Total comprehensive income for the year	-	-	-	-	135,322	135,322	33,283	(25,130)	-	8,153	-	143,475	(6,669)	136,806
Share-based payment transactions	30,000	345,000	-	-	-	-	-	-	(365,793)	(365,793)	-	9,207	-	9,207
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	4,407	4,407
Balance as of March 31, 2024	**$ 919,535**	**1,113,527**	**272,437**	**75,303**	**1,491,706**	**1,839,446**	**43,616**	**563,199**	**(365,793)**	**241,022**	**(40,374)**	**4,073,156**	**116,024**	**4,189,180**
Balance as of January 1, 2026	$ 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
Net income (loss) for the period	-	-	-	-	186,006	186,006	-	-	-	-	-	186,006	(4,350)	181,656
Other comprehensive income for the period	-	-	-	-	-	-	95,673	565,823	-	661,496	-	661,496	-	661,496
Total comprehensive income for the year	-	-	-	-	186,006	186,006	95,673	565,823	-	661,496	-	847,502	(4,350)	843,152
Share-based payment transactions	(200)	(1,362)	-	-	-	-	-	-	37,186	37,186	-	35,624	-	35,624
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	35,462	35,462	-	(35,462)	-	(35,462)	-	-	-	-
Balance as of March 31, 2026	**$ 918,985**	**1,105,640**	**325,876**	**-**	**1,933,253**	**2,259,129**	**68,113**	**1,565,691**	**(194,589)**	**1,439,215**	**(40,374)**	**5,682,595**	**91,687**	**5,774,282**

(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 three months ended March 31, 2026 and 2025

Unit: NT$ thousands

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Cash flows from operating activities:		
Income before income tax for the period	$ 240,119	169,275
Adjustments:		
Income and expense items:		
Depreciation	76,948	65,586
Amortization	1,843	1,512
Loss (gain) on financial assets at fair value through profit or loss	5,295	(1,966)
Interest expense	12,482	9,245
Interest income	(6,390)	(5,987)
Dividend income	(15,133)	(572)
Loss on market value decline and obsolete and slow-moving inventories	3,043	-
Share of profit of associates accounted for under the equity method	(715)	(1,360)
Loss on disposal of property, plant, and equipment	1	233
Gain on disposal of investments	-	(6,130)
Compensation costs of share-based payments	35,624	9,207
Other expenses and losses not affecting cash flows	17	90
Total income and expense items	113,015	69,858
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	72,329	123,305
Inventories	(221,424)	(30,962)
Other operating assets	(16,401)	42,898
Accounts payable (including related parties)	67,236	(105,805)
Other operating liabilities	18,704	15,021
Total adjustments	33,459	114,315
Cash generated from operations	273,578	283,590
Interest received	7,360	4,094
Dividends received	15,133	572
Interest paid	(12,488)	(9,241)
Income tax paid	(4,250)	(35,307)
Net cash inflow from operating activities	279,333	243,708

(Continued)

(See the attached notes to consolidated financial statements)

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

Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income - non-current	(25,588)	(23,056)
Disposal of financial assets at fair value through other comprehensive income - non-current	41,637	-
Acquisition of property, plant and equipment	(160,742)	(43,929)
Decrease (increase) in guaranteed deposits paid	10	(353)
Acquisition of intangible assets	(181)	-
Decrease in other non-current assets	290	1,315
Increase in prepayment for equipment	(81,423)	(57,571)
Net cash outflow from investing activities	(225,997)	(123,594)
Cash flows from financing activities:		
Increase in short-term loans	100,000	295,000
Repayment of short-term loans	-	(110,000)
Repayments of long-term loans	(24,409)	(24,409)
Repayment of lease principal	(8,096)	(7,192)
Net cash inflow from financing activities	67,495	153,399
Effect of exchange rate changes	27,056	47,961
Increase in cash and cash equivalents	147,887	321,474
Cash and cash equivalents, beginning of the year	1,760,348	1,541,797
Cash and cash equivalents, end of the year	**$ 1,908,235**	**1,863,271**

(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

Notes to Consolidated Financial Statements

For the three months ended March 31, 2026 and 2025

(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 May 5, 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, 2026, the Group has adopted below newly amended IFRSs which does not have a material impact on the consolidated financial statements.

- IFRS 17 "Insurance Contract" and amendments to IFRS 17
- 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"

(II) 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 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.	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.

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“ and amendments to IFRS 19
- Amendments to IAS21 “Translation to a Hyperinflationary Presentation Currency”

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “ Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2025.

(II) Basis of consolidation

1. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiaries	Business Activities	Percentage of Ownership 2026.3.31	2025.12.31	2025.3.31	Note
The Company	APAQ Investments Limited (APAQ Samoa)	Investment holding company	100%	100%	100%	
APAQ Samoa	APAQ Technology (Wuxi) Co., Ltd. (APAQ Wuxi)	Production and sales of electronic products	100%	100%	100%	
The Company	APAQ Technology (Hubei) Co., Ltd. (APAQ Hubei)	Production and sales of electronic products	100%	100%	100%	
The Company	AiPAQ Technology Co., Ltd (AiPAQ Technology)	R&D and sales of electronic products	52%	52%	52%	
The Company	APAQ TECHNOLOGY (THAILAND) CO., Ltd. (APAQ Thailand)	Production and sales of electronic products	99.99%	99.99%	- %	Note

Note:

1. 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.

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

(III) Income tax

The Group measures and discloses the income tax expenses for the interim period in accordance with the regulations in paragraph B12 of International Accounting Standard 34, "Interim Financial Reporting."

The interim period income tax expense is assessed based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and recognized as current income tax expenses in full, and allocated to current income tax expenses and deferred income tax expenses in proportion to the expected current income tax expenses and deferred income tax expenses of the whole year.

Income tax expenses directly recognized in items of equity or other comprehensive income shall be measured by the temporary differences between the carrying amount of related assets and liabilities for the financial reporting purpose and tax base at the tax rates that are expected to apply to the period when they are realized or settled.

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

When preparing the consolidated financial statements in accordance with Regulations Governing the Preparation and IAS 34 "Interim Financial Reporting" endorsed by the FSC, 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 significant accounting judgements, estimates and key sources of assumption uncertainty by the management in preparing the consolidated financial statements are consistent with the disclosures in Note V of the consolidated financial statements for the year ended December 31, 2025.

VI. Details of Significant Accounts

Except for those explained as follows, there is no significant difference in details of significant accounts compared with those in the consolidated financial statements for the year ended December 31, 2025. Please refer to Note VI of the consolidated financial statements for the year ended December 31, 2025 for relevant information.

(I) Cash and cash equivalents

	2026.3.31	2025.12.31	2025.3.31
Cash and demand deposit	$ 1,844,244	1,681,772	1,764,068
Time deposit	63,991	78,576	99,203
Cash and cash equivalents	**$ 1,908,235**	**1,760,348**	**1,863,271**

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

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

1. Current:

	2026.3.31	2025.12.31	2025.3.31
Financial assets mandatorily measured at fair value through profit or loss:			
U.S. Treasury bonds	**$ -**	**46,416**	**49,069**

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.

The Group sold US Treasury bonds with par value amounting to USD 1,600 thousand in March 2026. Fair value at the disposal amounted to NT$45,719 thousand.

2. Non-current:

	2026.3.31	2025.12.31	2025.3.31
Financial assets mandatorily measured at fair value through profit or loss:			
Domestic limited liability partnership			
AyeVest Investment Limited Partnership (AyeVest Investment)	$ 10,680	10,728	5,385
Domestic unlisted common stocks			
Sunrise Innovation Capital Co. (Sunrise Innovation)	35,130	34,980	-
Phoenix VII Innovation & Venture Capital Co., Ltd. (Phoenix VII)	95,300	100,000	-
	$ 141,110	**145,708**	**5,385**

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 10,000 thousand shares of Phoenix VII Innovation & Venture Capital Co., Ltd. by NT$100,000 thousand in November 2025.

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

The Group recognized dividend income of NT$4,576 thousand for the aforementioned investments in equity instruments designated at fair value through other comprehensive income for the three months ended March 31, 2026 and 2024. Please refer to Note VI(XXI) for details.

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

	2026.3.31	2025.12.31	2025.3.31
Domestic listed common stocks —			
TAI-TECH Advanced Electronics Co., Ltd. (TAI-TECH)	$ 41,464	17,140	10,494
Syntec Technology Co., Ltd. (Syntec Technology)	1,771,000	1,239,556	-
Domestic and foreign unlisted common stocks -			
Foxfortune Technology Ventures Limited	16,583	15,845	22,302
Inpaq Korea Co., Ltd. (Inpaq Korea)	1,734	4,577	2,123
Element I Venture Capital Co., Ltd. (Element I Venture Capital)	6,890	9,803	13,645
Kuan Kun Electronic Enterprise Co., Ltd. (Kuan Kun Electronic)	84,877	79,441	67,431
AICP Technology Corporation (AICP Technology)	2,341	2,095	1,584
IPU Semiconductor Co., Ltd. (IPU Semiconductor)	27,994	25,248	21,224
WK Technology Fund IX II Ltd. (WK Technology Fund IX II)	28,290	27,360	26,610
I-See Vision Technology Inc. (I-See Vision Technology)	44,561	53,895	23,403
Syntec Technology Co., Ltd. (Syntec Technology)	-	-	792,360
Phoenix VI Innovation & Venture Capital Co., Ltd. (Phoenix VI)	60,750	61,750	44,950
	$ 2,086,484	1,536,710	1,026,126

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

	2026.3.31			2025.12.31			2025.3.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
USD	$ 573	31.995	18,317	650	31.430	20,422	738	33.205	24,425

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 175 thousand shares and 117 thousand shares of TAI-TECH Advanced Electronics Co., Ltd. by NT$25,588 thousand and NT$13,460 thousand from February to March 2026 and from March to April 2025, respectively.

The Group acquired 40 thousand of Syntec Technology Co., Ltd. by NT$23,977 thousand from March to July 2025. The Group disposed of 38 thousand shares and 2 thousand shares of Syntec Technology Co., Ltd. in February 2026 and September 2025, respectively. Fair values at the time of disposal were NT$41,637 thousand and NT$1,815 thousand, and the gains on disposal amounted to NT$35,462 thousand and NT$1,490 thousand, respectively. 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.

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

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

The Group recognized dividend income of NT$10,557 thousand and NT$572 thousand for the aforementioned investments in equity instruments designated at fair value through other comprehensive income for the three months ended March 31, 2026 and 2025, respectively. Please refer to Note VI(XXI) for details.

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

	2026.3.31	2025.12.31	2025.3.31
Notes receivable	$ 13,789	32,676	48,475
Accounts receivable	1,748,353	1,789,686	1,370,950
Accounts receivable - related parties	45,540	45,163	83,389
	$ 1,807,682	1,867,525	1,502,814

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.

	2026.3.31		
	Carrying amount of receivables (including related parties)	**Ratio of loss on lifetime expected credit**	**Allowance of lifetime expected credit loss**
Not past due	$ 1,757,305	0%	-
Past due 1-90 days	6,420	0%	-
Past due over 91 days	43,957	0%	-
Total	$ 1,807,682		-

	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%	-
Total	$ 1,867,525		-

	2025.3.31		
	Carrying amount of receivables (including related parties)	**Ratio of loss on lifetime expected credit**	**Allowance of lifetime expected credit loss**
Not past due	$ 1,476,577	0%	-
Past due 1-90 days	26,237	0%	-
Total	$ 1,502,814		-

No impairment loss has been provided for receivables (including related parties) for the three months ended March 31, 2026 and 2025.

(V) Inventories, net

	2026.3.31	2025.12.31	2025.3.31
Raw materials	$ 369,223	293,661	251,720
Work in process and semi-finished products	164,683	127,863	112,379
Finished goods and commodity	609,849	485,736	395,081
	$ 1,143,755	907,260	759,180

The details of operating costs were as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Cost of goods sold	$ 715,137	620,734
Loss on market value decline and obsolete and slow-moving inventories	3,043	-
Revenue from sales of tailings and scraps	(5,068)	-
	$ 713,112	620,734

As of March 31, 2026 and 2025, 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:

	2026.3.31	2025.12.31	2025.3.31
Associate	$ 64,490	58,180	57,944

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

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Net profit (loss) for the period	$ 715	1,360
Other comprehensive income for the period	5,595	(2,493)
Total comprehensive income	$ 6,310	(1,133)

(VII) 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, 2026	$	413,118	2,388,143	365,684	547,853	3,714,798
Additions		804	59,266	23,216	120,731	204,017
Disposals and obsolescence		-	-	(4,605)	-	(4,605)
Reclassification		32,518	104,613	4,011	(141,159)	(17)
Effect of exchange rate changes		12,725	75,017	6,080	17,354	111,176
Balance as of March 31, 2026	$	459,165	2,627,039	394,386	544,779	4,025,369
Balance as of January 1, 2025	$	399,384	2,311,895	272,468	227,177	3,210,924
Additions		-	6,284	8,167	80,229	94,680
Disposals and obsolescence		-	(4,804)	(27)	-	(4,831)
Reclassification		-	17,974	917	(18,981)	(90)
Effect of exchange rate changes		5,691	32,032	2,151	3,128	43,002
Balance as of March 31, 2025	$	405,075	2,363,381	283,676	291,553	3,343,685
Depreciation:						
Balance as of January 1, 2026	$	263,785	1,330,739	221,302	-	1,815,826
Depreciation for the period		5,750	49,208	13,685	-	68,643
Disposals and obsolescence		-	-	(4,604)	-	(4,604)
Effect of exchange rate changes		8,755	43,544	4,179	-	56,478
Balance as of March 31, 2026	$	278,290	1,423,491	234,562	-	1,936,343
Balance as of January 1, 2025	$	248,109	1,329,184	195,684	-	1,772,977
Depreciation for the period		5,281	44,925	8,037	-	58,243
Disposals and obsolescence		-	(4,572)	(26)	-	(4,598)
Effect of exchange rate changes		3,576	19,250	1,801	-	24,627
Balance as of March 31, 2025	$	256,966	1,388,787	205,496	-	1,851,249
Carrying Amount:						
January 1, 2026	$	149,333	1,057,404	144,382	547,853	1,898,972
March 31, 2026	$	180,875	1,203,548	159,824	544,779	2,089,026
January 1, 2025	$	151,275	982,711	76,784	227,177	1,437,947
March 31, 2026	$	148,109	974,594	78,180	291,553	1,492,436

(VIII) Right-of-use assets

		Land use rights	Houses and buildings	Transportation equipment	Total
Cost of right-of-use assets:					
Balance as of January 1, 2026	$	11,965	152,681	1,610	166,256
Effect of exchange rate changes		408	2,996	-	3,404
Balance as of March 31, 2026	**$**	**12,373**	**155,677**	**1,610**	**169,660**
Balance as of January 1, 2025	$	12,203	86,196	1,610	100,009
Effect of exchange rate changes		174	186	-	360
Balance as of March 31, 2025	**$**	**12,377**	**86,382**	**1,610**	**100,369**
Depreciation of right-of-use assets:					
Balance as of January 1, 2026	$	2,076	30,344	805	33,225
Depreciation for the period		80	8,091	134	8,305
Effect of exchange rate changes		67	186	-	253
Balance as of March 31, 2026	**$**	**2,223**	**38,621**	**939**	**41,783**
Balance as of January 1, 2025	$	1,815	19,583	268	21,666
Depreciation for the period		76	7,133	134	7,343
Effect of exchange rate changes		27	67	-	94
Balance as of March 31, 2025	**$**	**1,918**	**26,783**	**402**	**29,103**
Carrying amount of right-of-use assets:					
January 1, 2026	**$**	**9,889**	**122,337**	**805**	**133,031**
March 31, 2026	**$**	**10,150**	**117,056**	**671**	**127,877**
January 1, 2025	**$**	**10,388**	**66,613**	**1,342**	**78,343**
March 31, 2025	**$**	**10,459**	**59,599**	**1,208**	**71,266**

(IX) Intangible assets

The amount of the Group's cost and amortization of intangible asset was as follows:

		Goodwill	Computer software	Royalty fees	Patented technology	Total
Cost:						
Balance as of January 1, 2026	$	54,671	17,475	45,038	9,181	126,365
Additions		-	181	-	-	181
Effect of exchange rate changes		-	102	-	-	102
Balance as of March 31, 2026	**$**	**54,671**	**17,758**	**45,038**	**9,181**	**126,648**
Balance as of January 1, 2025	$	53,315	14,787	45,038	-	113,140
Acquisition in business combination		1,356	-	-	9,181	10,537
Effect of exchange rate changes		-	24	-	-	24
Balance as of March 31, 2025	**$**	**54,671**	**14,811**	**45,038**	**9,181**	**123,701**
Amortization:						
Balance as of January 1, 2026	$	-	12,174	30,651	765	43,590
Amortization for the period		-	675	938	230	1,843
Effect of exchange rate changes		-	50	-	-	50
Balance as of March 31, 2026	**$**	**-**	**12,899**	**31,589**	**995**	**45,483**
Balance as of January 1, 2025	$	-	10,128	26,897	-	37,025
Amortization for the period		-	498	938	76	1,512
Effect of exchange rate changes		-	20	-	-	20
Balance as of March 31, 2025	**$**	**-**	**10,646**	**27,835**	**76**	**38,557**
Carrying Amount:						
January 1, 2026	**$**	**54,671**	**5,301**	**14,387**	**8,416**	**82,775**
March 31, 2026	**$**	**54,671**	**4,859**	**13,449**	**8,186**	**81,165**
January 1, 2025	**$**	**53,315**	**4,659**	**18,141**	**-**	**76,115**
March 31, 2025	**$**	**54,671**	**4,165**	**17,203**	**9,105**	**85,144**

(X) Other assets - current and non-current

		2026.3.31	2025.12.31	2025.3.31
Prepayments for equipment	$	146,838	68,342	88,701
Business tax credit		57,978	32,315	29,881
Prepaid expenses		56,729	50,890	40,920
Other receivables		54,803	7,551	13,806
Long-term deferred expenses		16,531	16,822	11,028
Tax refund receivables		2,210	17,340	-
Prepayments for goods and others		2,832	5,305	66
	$	337,921	198,565	184,402

(XI) Short-term loans

		2026.3.31	2025.12.31	2025.3.31
Unsecured bank loans	$	2,250,000	2,150,000	1,605,000
Unused limit	$	1,540,000	850,000	845,000
Interest rate range		1.95%~2.10%	1.95%~2.10%	1.85%~2.10%

The additional amounts for the three months ended March 31, 2026 and 2025 are NT$100,000 thousand and NT$295,000 thousand, respectively, with interest rates ranging from 1.978% and 1.92%~1.975%, and maturity dates in May 2026 and from April to June 2025, respectively. The repayment amounts are NT$0 thousand and NT$110,000 thousand, respectively.

(XII) Long-term loans

		2026.3.31	2025.12.31	2025.3.31
Unsecured bank loans	$	215,276	239,685	286,410
		(190,276)	(195,635)	(146,134)
	$	25,000	44,050	140,276
Unused limit	$	270,000	570,000	320,000
Interest rate range		1.925%~ 2.130%	1.925%~ 2.130%	1.925%~ 2.310%

(XIII) Lease liabilities

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

		2026.3.31	2025.12.31	2025.3.31
Current	$	32,776	32,100	21,618
Non-current	$	85,704	91,661	39,711

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

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

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Interest expense of lease liabilities	$ 385	242
Expense for leases of low-value assets	$ 81	19

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

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Total cash outflow for lease	$ 8,562	7,453

1. Leasing of houses and buildings

   The Group leased houses and buildings as office premises and factory buildings as of March 31, 2026 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.

(XIV) Employee benefits

Please refer to Note XII for the explanations on the pension expenses for the three months ended March 31, 2026 and 2025.

(XV) Income tax

1. Income tax expense

The amount of the Group's income tax expenses for the three months ended March 31, 2026 and 2025 was as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Current income tax expenses	$ 56,754	40,695
Deferred income tax expense (benefit)	1,709	(73)
	$ 58,463	**40,622**

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

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Exchange differences on translation of foreign operations (gains)	**$ 23,918**	**8,321**

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

(XVI) Capital and other equity

Except for those explained as follows, there is no significant change in share capital and other equity for the three months ended March 31, 2026 and 2025. Please refer to Note VI(XVII) of the consolidated financial statements for the year ended December 31, 2025 for relevant information.

1. Issue of commons shares

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 12.5 thousand shares and 55 thousand shares of restricted stock awards for not reaching the vesting conditions for the three months ended March 31, 2026 and in 2025, respectively. As of March 31, 2026, 55 thousand shares have been cancelled with relevant registration for change completed. The relevant registration for change of the residual 12.5 thousand shares hasn't been completed. Please refer to Note VI(XVII) for relevant information.

2. Capital surplus

	2026.3.31	2025.12.31	2025.3.31
Share premium	$ 320,766	320,766	320,766
Compensation cost of shares retained for employee subscription at cash capital increase	7,852	7,852	7,852
Subscription right to convertible corporate bonds	117	117	117
Treasury share transactions	3,642	3,642	3,642
Premium from conversion of corporate bonds to common shares	433,380	433,380	433,380
Changes in percentage of shareholding in long-term equity investments	2,736	2,736	2,736
Gains on exercise of disgorgement	34	34	34
Restricted stock awards	337,113	338,475	345,000
	$ 1,105,640	**1,107,002**	**1,113,527**

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

The appropriations of earnings of the two most recent years were proposed by the board of directors on March 4, 2026 and approved during shareholders' meeting held on May 26, 2025, respectively. Information on dividends appropriated to owners is as follows:

	2025		2024	
	Dividends per share	**Amount**	**Dividends per share**	**Amount**
Dividends distributed to owners of common shares:				
Cash (NT$)	**$ 4.20**	**381,774**	**3.60**	**316,633**

The appropriation of earnings for 2024 is consistent with the resolutions approved by the Board of Directors. The appropriation of earnings for 2025 is pending to be resolved by the shareholders' meeting. Information on actual distribution is available at the Market Observation Post System (MOPS).

4. Non-controlling interests

	For the three months ended March 31, 2026	**For the three months ended March 31, 2025**
Beginning balance	$ 96,037	118,286
Net loss	(4,350)	(6,669)
Adjustments to the net fair value acquired in business combination	-	4,407
Ending balance	$ 91,687	116,024

(XVII) Share-based payment

Restricted stock awards

The company's regular shareholders' meeting resolved on June 21, 2022, to issue 3,000 thousand restricted stock awards 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 until 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 until 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 Company reserves the right to reclaim and cancel all shares of restricted stock units allocated to the employees at no cost. The details are as follows:

	Restricted stock awards
	Issued in 2026
Grant date	114.3.12
Number of share 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. The Company bought back 12.5 thousand shares and 55 thousand shares of restricted stock awards for not reaching the vesting conditions for the three months ended March 31, 2026 and in 2025, respectively. The aforementioned 55 thousand shares bought back in 2025 have been cancelled with relevant registration for change completed, of which, the registration for change of 20 thousand shares has been completed for the three months ended March 31, 2026, and capital surplus has increased by NT$200 thousand. The relevant registration for change of the residual 12.5 thousand shares bought back for the three months ended March 31, 2026 hasn't been completed.

The Company recognized NT$35,624 thousand and NT$9,207 thousand of compensation costs for issue of restricted stock awards for the three months ended March 31, 2026 and 2025, respectively, which are presented under operating costs and operating expenses.

As of March 31, 2026 and 2025, the balance of unearned employees' compensation amounted to NT$194,589 thousand and NT$365,793 thousand, respectively, presented as deductions to other equity.

(XVIII) Earnings per Share (EPS)

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Basic EPS:		
Net income attributable to the Company	$ 186,006	135,322
Weighted-average number of ordinary shares (in thousands)	87,999	87,954
Basic EPS (NT$)	$ 2.11	1.54
Diluted EPS:		
Net income attributable to the Company	$ 186,006	135,322
Weighted-average number of ordinary shares (in thousands)	87,999	87,954
Effect of potential diluted common shares:		
Employee compensation to be distributed in shares	433	372
Non-vested restricted stock awards	1,183	34
Weighted average number of common shares outstanding for the calculation of diluted EPS (in thousands of shares)	89,615	88,360
Diluted EPS (NT$)	$ 2.08	1.53

(XIX) Revenue of customer contract

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Major regional markets		
Taiwan	$ 304,370	322,783
Asia	703,938	490,424
Other areas	119,927	91,812
	$ 1,128,235	905,019
Major products		
Coiled conductive polymer solid state capacitors	$ 689,048	633,322
Chip-type conductive polymer solid state capacitors	439,187	271,697
	$ 1,128,235	905,019

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

(XX) Employee compensations and remuneration for Directors

The Company modified the Articles of Incorporation by the resolution of shareholders meeting on May 26, 2025. 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 (The compensation to non-executive employees shall not be lower than 10% of the employee compensation.), 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 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.

The Company accrued NT$22,516 thousand (including non-executive employees' compensation), and NT$13,779 thousand as employee compensation, and NT$6,622 thousand, and NT$4,053 thousand as remuneration for Directors for the three months ended March 31, 2026 and 2025, 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 employees' compensation were NT$70,733 thousand (including non-executive employees' compensation) and NT$56,791 thousand, respectively, and the remuneration to directors were NT$20,804 thousand and NT$16,703 thousand, respectively, for the years ended December 31, 2025 and 2024, which bear no difference from the Board's resolutions. Relevant information can be found at the MOPS.

(XXI) Non-operating income and expenses

1. Other gains and losses, net

The details of other gains and losses are as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Dividend income	$ 15,133	572
Gain on disposal of investments	-	6,130
Subsidy income	1,039	52
Net gain (loss) on financial assets at fair value through profit or loss	(5,295)	1,966
Loss on disposal of property, plant, and equipment	(1)	(233)
Others	3	(377)
	$ 10,879	**8,110**

2. Finance costs

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Interest expenses of loans from banks	$ 12,097	9,003
Interest expense of lease liabilities	385	242
	$ 12,482	**9,245**

3. Interest income

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Interests on bank deposits	$ 6,379	5,964
Other interest income	11	23
	$ 6,390	**5,987**

(XXII) Financial instruments

Except for those explained as follows, there is no significant change in the fair value of financial instruments and the conditions of financial instruments exposed to credit risk, liquidity risk, and market risk. Please refer to Note VI(XXIII) of the consolidated financial statements for the year ended December 31, 2025 for relevant information.

1. Credit risk

(1) 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 of March 31, 2026, December 31, 2025, and March 31, 2025, 32%, 37% and 35% of the Group's accounts receivables were due from five customers, respectively. Although there is credit risk concentration, the Group assessed the possibility of accounts receivable recovery on a regular basis, and provided appropriate loss allowances.

(2) 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
March 31, 2026					
Non-derivative financial liabilities					
Short-term loans	$ 2,250,000	2,255,010	2,255,010	-	-
Accounts payable (including related parties)	767,797	767,797	767,797	-	-
Payroll and bonus payable	231,229	231,229	231,229	-	-
Payable on equipment	132,433	132,433	107,133	25,300	-
Expenses payable (recorded as other current liabilities)	176,401	176,401	176,401	-	-
Lease liabilities (including current and non-current)	118,480	120,728	16,961	16,961	86,806
Long-term loans (including within one year)	215,276	217,778	148,740	43,927	25,111
	$ 3,891,616	**3,901,376**	**3,703,271**	**86,188**	**111,917**

	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
March 31, 2025					
Non-derivative financial liabilities					
Short-term loans	$ 1,605,000	1,609,180	1,609,180	-	-
Accounts payable (including related parties)	469,349	469,349	469,349	-	-
Payroll and bonus payable	180,800	180,800	180,800	-	-
Payable on equipment	79,768	79,768	79,768	-	-
Expenses payable (recorded as other current liabilities)	141,529	141,529	141,529	-	-
Lease liabilities (including current and non-current)	61,329	62,870	14,826	8,129	39,915
Long-term loans (including within one year)	286,410	291,926	124,884	25,370	141,672
	$ 2,824,185	2,835,422	2,620,336	33,499	181,587

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:

	2026.3.31			2025.12.31			2025.3.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets									
Monetary items									
USD	$ 80,861	31.995	2,587,148	75,814	31.43	2,382,834	71,014	33.205	2,358,020
RMB	45,949	4.624	212,468	56,631	4.4716	253,231	50,150	4.6258	231,984
Financial liabilities									
Monetary items									
USD	6,130	31.995	196,129	3,876	31.43	121,823	2,845	33.205	94,468

(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 three months ended March 31, 2026 and 2025 due to depreciation or appreciation of NTD against USD and RMB as of March 31, 2026, December 31, 2025, and March 31, 2025 with all other variables held constant were as follows:

	Range of the fluctuations	For the three months ended March 31, 2026	For the three months ended March 31, 2025
TWD exchange rate	1% depreciation against USD	$ 19,128	18,108
	1% appreciation against USD	$ (19,128)	(18,108)
	1% depreciation against RMB	$ 1,700	1,856
	1% appreciation against RMB	$ (1,700)	(1,856)

(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 three months ended March 31, 2026 and 2025 were NT$17,925 thousand, and NT$23,283 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 as of March 31, 2026 and 2025 due to changes in interest rate with all other variables held constant were as follows:

	Range of the fluctuations	**For the three months ended March 31, 2026**	**For the three months ended March 31, 2025**
Annual borrowing rate	Increase by 1%	$ (4,931)	(3,783)
	Decrease by 1%	$ 4,931	3,783

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:

	For the three months ended March 31, 2026		**For the three months ended March 31, 2025**	
Securities price as of the reporting date	**Other comprehensive income before tax**	**Income before income tax for the period**	**Other comprehensiv e income before tax**	**Income before income tax for the period**
Increase by 1%	$ 20,865	1,411	10,261	545
Decrease by 1%	(20,865)	(1,411)	(10,261)	(545)

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 is not required to be disclosed) were as follows:

	2026.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss – non-current					
Limited partnership	$ 10,680	-	-	10,680	10,680
Domestic unlisted ordinary shares	130,430	-	-	130,430	130,430
	$ 141,110	-	-	141,110	141,110
Financial assets at fair value through other comprehensive income - non-current					
Domestic and foreign listed shares	$ 1,812,464	1,812,464	-	-	1,812,464
Domestic and foreign unlisted shares	274,020	-	-	274,020	274,020
	$ 2,086,484	1,812,464	-	274,020	2,086,484
Financial assets at amortized cost					
Cash and cash equivalents	$ 1,908,235	-	-	-	-
Notes and accounts receivables (including related parties)	1,807,682	-	-	-	-
Guaranteed deposits paid	11,498	-	-	-	-
	$ 3,727,415	-	-	-	-
Financial liabilities at amortized cost					
Short-term borrowings	$ 2,250,000	-	-	-	-
Accounts payables (including related parties)	767,797	-	-	-	-
Payroll and bonus payable	231,229	-	-	-	-
Payables for equipment	132,433	-	-	-	-
Payable expenses (recognized as other current liabilities)	176,401	-	-	-	-
Lease liabilities (including current and non-current)	118,480	-	-	-	-

	2026.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Long-term borrowings (including current portion)	215,276	-	-	-	-
	$ 3,891,616	-	-	-	-

	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 unlisted ordinary 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 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	-	-	-	-
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	239,685	-	-	-	-

	2025.12.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
(including current portion)					
	$ 3,696,486	-	-	-	-

	2025.3.31				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - current					
Government bonds	$ 49,069	49,069	-	-	49,069
Financial assets at fair value through profit or loss – non-current					
Limited partnership	$ 5,385	-	-	5,385	5,385
Financial assets at fair value through other comprehensive income - non-current					
Domestic listed shares	$ 10,494	10,494	-	-	10,494
Domestic and foreign unlisted shares	1,015,632	792,360	-	223,272	1,015,632
	$ 1,026,126	802,854	-	223,272	1,026,126
Financial assets at amortized cost					
Cash and cash equivalents	$ 1,863,271	-	-	-	-
Notes and accounts receivables (including related parties)	1,502,814	-	-	-	-
Guaranteed deposits paid	11,505	-	-	-	-
	$ 3,377,590	-	-	-	-
Financial liabilities at amortized cost					
Short-term borrowings	$ 1,605,000	-	-	-	-
Accounts payables (including related parties)	469,349	-	-	-	-
Payroll and bonus payable	180,800	-	-	-	-
Payables for equipment	79,768	-	-	-	-
Payable expenses (recognized as other current liabilities)	141,529	-	-	-	-
Lease liabilities (including current and non-current)	61,329	-	-	-	-
Long-term borrowings (including current portion)	286,410	-	-	-	-
	$ 2,824,185	-	-	-	-

(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, 2026	$ 145,708	280,014
Total gains or losses		
Recognized in profit or loss	(4,598)	-
Recognized in other comprehensive income	-	(5,994)
Balance as of March 31, 2026	**$ 141,110**	**274,020**
Balance as of January 1, 2025	$ 5,409	1,028,200
Total gains or losses		
Recognized in profit or loss	(24)	-
Recognized in other comprehensive income	-	(109,352)
Transferred from Level 3 (Note)	-	(695,576)
Balance as of March 31, 2025	$ 5,385	223,272

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	Net asset value method	• Net asset value	• The higher the value of net asset, the higher the fair value
Non-current (limited partnership)		• Marketability discount (9% for both March 31, 2026, December 31, 2025, and March 31, 2025)	• 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 March 31, 2026, December 31, 2025, and March 31, 2025)	• 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 (1.27~3.29, 1.19~2.88, and 1.01~2.68 as of March 31, 2026, December 31, 2025, and March 31, 2025)	• The higher the price-book ratio, the higher the fair value
		• Price-earnings ratio (PER) multiples (17.09, 15.43, and 14.81~18.74 as of March 31, 2026, December 31, 2025, and March 31, 2025) • Marketability discount (14.65%~26.03%, 14.65%~26.03%, 17.60%~19.66% as of March 31, 2026, December 31, 2025, and March 31, 2025)	• The higher the price-to-earning ratio, the higher the fair value. • The higher the marketability discount, the lower 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
March 31, 2026						
Financial assets measured at fair value through profit or loss						
Investments in equity instrument without active market	Marketability discount	±1%	1,411	(1,411)	-	-
	Net asset value method	±1%	1,411	(1,411)	-	-
Financial assets measured at fair value through other comprehensive income						
Investments in equity instrument without active market	Marketability discount	±1%	-	-	2,740	(2,740)
	Net asset value method	±1%	-	-	1,125	(1,125)
	Price-book ratio (PBR) multiples	±1%	-	-	1,598	(1,598)
	Price-earnings ratio (PER) multiples	±1%	-	-	17	(17)
December 31, 2025						
Financial assets measured at fair value through profit or loss						
Investments 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 instrument 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)
March 31, 2025						
Financial assets measured at fair value through profit or loss						
Investments in equity instruments without active market	Marketability discount	±1%	54	(54)	-	-
	Net asset value method	±1%	54	(54)	-	-
Financial assets measured at fair value through other comprehensive						

	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
income						
Investments in equity instrument without active market	Marketability discount	±1%	-	-	2,233	(2,233)
	Net asset value method	±1%	-	-	1,075	(1,075)
	Price-book ratio (PBR) multiples	±1%	-	-	1,158	(1,158)
	Price-earnings ratio (PER) multiples	±1%	-	-	887	(887)

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 level 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.

(XXIII) Financial risk management

There is no significant change in the objective and policies of financial risk management compared with those disclosed in Note VI(XXIV) of the consolidated financial statements for the year ended December 31, 2025.

(XXIV) Capital management

The objective, policies, and procedures of capital management are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025. And there is no significant change in the summarized quantitative data of capital management items compared with those disclosed in the consolidated financial statements for the year ended December 31, 2025. Please refer to Note VI(XXV) of the consolidated financial statements for the year ended December 31, 2025 for relevant information.

(XXV) Non-cash financing activities

The Group's non-cash investing and financing activities for the three months ended March 31, 2026 and 2025 were as follows:

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

	2026.1.1	Cash flow	Non-cash changes: Change in Exchange fluctuations	Non-cash changes: Other changes	2026.3.31
Short-term loans	$ 2,150,000	100,000	-	-	2,250,000
Lease liabilities	123,761	(8,096)	2,815	-	118,480
Long-term loans (including within one year)	239,685	(24,409)	-	-	215,276
	$ 2,513,446	67,495	2,815	-	2,583,756

	2025.1.1	Cash flow	Non-cash changes: Change in Exchange fluctuations	Non-cash changes: Acquisition in business combinations	Non-cash changes: Other changes	2025.3.31
Short-term loans	$ 1,420,000	185,000	-	-	-	1,605,000
Lease liabilities	68,401	(7,192)	120	-	-	61,329
Long-term loans (including within one year)	310,819	(24,409)	-	-	-	286,410
	$ 1,799,220	153,399	120	-	-	1,952,739

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
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.
Hotek Material Technology Co., Ltd. (Hotek Material)	Substantive related party of AiPAQ Technology
IPU Semiconductor Co., Ltd. (IPU Semiconductor)	Chairman of the company and the general manager of the Company is the same person.

(II) Significant transactions with related parties

1. Operating revenue

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Hubei Gather	$ -	23,276
JDX Technology	66	591
Hotek Material	1,260	-
	$ 1,326	23,867

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 60 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

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Hubei Gather	$ 1,291	6,817

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

3. Receivables from related parties

Financial Statement Account	Category of related parties	2026.3.31	2025.12.31	2025.3.31
Accounts receivable	Hubei Gather	$ 43,957	45,038	82,674
Accounts receivable	Hotek Material	1,323	-	-
Accounts receivable	JDX Technology	137	125	715
Other receivable	IPU Semiconductor	123	-	-
		$ 45,540	45,163	83,389

4. Payables to related parties

Financial Statement Account	Category of related parties	2026.3.31	2025.12.31	2025.3.31
Accounts payable	Hubei Gather	$ 27	943	8,529

(III) Transactions with key management personnel

Remuneration of major managerial personnel includes:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Short-term employee benefits	$ 17,185	13,652
Benefits after retirement	81	108
Share-based payment	10,463	2,704
	$ 27,729	16,464

Please refer to Note VI (XVII) for the explanations on share-based payment.

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	For the three months ended March 31, 2026			For the three months ended March 31, 2025		
	Operating costs	**Operating expense**	**Total**	**Operating costs**	**Operating expense**	**Total**
Employee benefit expenses						
Salary expense	138,371	123,993	262,364	81,117	78,867	159,984
Labor and health insurance expense	1,067	2,587	3,654	388	2,727	3,115
Pension expense	694	1,520	2,214	325	1,583	1,908
Other employee benefits expenses	2,528	2,968	5,496	1,916	2,720	4,636
Depreciation	67,502	9,446	76,948	50,980	14,606	65,586
Amortization	107	1,736	1,843	45	1,467	1,512

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	159,975	159,975	-	-	Business Transaction	2,756,089	Business needs of subsidiary	-		-	568,259	2,273,038
0	The Company	APAQ Hubei	Other receivables - related parties	Yes	159,975	159,975	-	-	Short-term Financing	-	Business needs of subsidiary	-		-	568,259	2,273,038
0	The Company	APAQ Thailand	Other receivables - related parties	Yes	63,990	63,990	-	-	Short-term Financing	-	Business needs of subsidiary	-		-	568,259	2,273,038
0	The Company	AiPAQ Technology	Other receivables - related parties	Yes	100,000	100,000	100,000	2.1%	Short-term Financing	-	Business needs of subsidiary	-		-	568,259	2,273,038

Note 1: For firms or companies having business relationship 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	5,682,595	159,975	159,975	-	-	2.82%	5,682,595	Y	N	Y
0	The Company	APAQ Hubei	Subsidiary	5,682,595	159,975	159,975	-	-	2.82%	5,682,595	Y	N	Y
0	The Company	APAQ Thailand y	Subsidiary	5,682,595	63,990	63,990	-	-	1.13%	5,682,595	Y	N	N
0	The Company	AiPAQ Technology	Subsidiary	5,682,595	300,000	300,000	-	-	5.28%	5,682,595	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				Remarks
				Shares/units	Carrying amount	Shareholding %	Fair value	
The Company	AyeVest Investment	None	Financial assets at fair value through profit or loss – non-current	-	10,680	5.65%	10,680	
The Company	Sunrise Innovation	Related party	Financial assets at fair value through profit or loss – non-current	3,000	35,130	13.95%	35,130	
The Company	Phoenix VII	None	Financial assets at fair value through fair value - non-current	10,000	95,300	4.43%	95,300	
The Company	TAI-TECH	Related party	Financial assets at fair value through other comprehensive income - non-current	292	41,464	0.26%	41,464	
The Company	Syntec Technology	None	Financial assets at fair value through other comprehensive income - non-current	1,400	1,771,000	1.95%	1,771,000	
The Company	Foxfortune Technology Ventures Limited	None	Financial assets at fair value through other comprehensive income - non-current	499	16,583	5.80%	16,583	
The Company	Inpaq Korea	None	Financial assets at fair value through other comprehensive income - non-current	18	1,734	10.73%	1,734	
The Company	Element I Venture Capital	None	Financial assets at fair value through other comprehensive income - non-current	880	6,890	3.64%	6,890	
The Company	Kuan Kun Electronic	None	Financial assets at fair value through other comprehensive income - non-current	3,770	84,877	5.39%	84,877	
The Company	AICP Technology	None	Financial assets at fair value through other comprehensive income - non-current	240	2,341	3.20%	2,341	
The Company	IPU Semiconductor	Related party	Financial assets at fair value through other comprehensive income - non-current	800	27,994	8.00%	27,994	
The Company	WK Technology Fund IX II	None	Financial assets at fair value through other comprehensive income - non-current	3,000	28,290	2.67%	28,290	
The Company	I-See Vision Technology	Related party	Financial assets at fair value through other comprehensive income - non-current	4,670	44,561	11.92%	44,561	
The Company	Phoenix VI	Related party	Financial assets at fair value through other comprehensive income - non-current	5,000	60,750	2.54%	60,750	

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	631,994	97.68 %	60 days from the end of the month	-	Note 1	(609,877)	97.55%	Note 2
APAQ Wuxi	APAQ Hubei	Same parent company	Purchases	256,908	39.54 %	60 days from the end of the month	-	Note 1	(307,906)	33.65%	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.

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	609,877	-	-	-	258,720	-
APAQ Hubei	APAQ Wuxi	The same parent company	307,906	-	-		94,547	-

Note 1: It refers to the recovery status as of April 17, 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	631,994	60 days from the end of the month	56%
0	The Company	APAQ Wuxi	Parent company to a subsidiary	Sales	28,674	60 days from the end of the month	3%
0	The Company	APAQ Wuxi	Parent company to a subsidiary	Accounts payable	609,877	60 days from the end of the month	6%
1	APAQ Wuxi	APAQ Hubei	Subsidiary to Subsidiary	Purchases	256,908	60 days from the end of the month	23%
1	APAQ Wuxi	APAQ Hubei	Subsidiary to Subsidiary	Accounts payable	307,906	60 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			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	1,482,482	47,892	100.00%	3,020,147	6,510	(5,615)	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%	153,998	(8,833)	(4,713)	Subsidiary, Note 1and Note 2
The Company	APAQ Thailand	Thailand	Production and sales of electronic components	46,300	46,300	20,000	99.99%	46,729	(1,127)	(1,127)	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	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	1,362,104 (USD44,200 thousand)	Note 2	1,370,270 (USD44,200 thousand)	-	-	1,370,270 (USD44,200 thousand)	6,570	100.00%	6,570 Note 3	2,974,664	-	Note 4
Shenzhen Gather	Production and sales of electronic components	73,983 (RMB16,000 thousand)	Note 2	53,997 (RMB11,900 thousand)	-	-	53,997 (RMB11,900 thousand)	28,921	35.00%	715 Note 5	64,490	-	Associate
APAQ Hubei	Production and sales of electronic components	274,537 (USD8,800 thousand)	Note 1	256,755 (USD8,800 thousand)	-	-	256,755 (USD8,800 thousand)	13,231	100.00%	11,308 Note 3	550,987	-	Note 4

2. Limits of reinvestments in mainland China:

Accumulated investment remitted from Taiwan to Mainland China at the end of the period (Note 6)	**Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 6)**	**Upper limit on investment authorized by MOEAIC**
1,681,022 (USD53,000 thousand and RMB11,900 thousand)	1,799,404 (USD58,700 thousand and RMB11,900 thousand)	(Note 7)

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 reviewed by CPAs of the parent company.

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

Note 5: It was recognized based on financial statements of the same period not reviewed by CPAs of the parent company.

Note 6: 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 March 31, 2026, 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 7: 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 three months ended March 31, 2026.

XIV. 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.