

**Syncmold Enterprise Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

SYNCMOLD ENTERPRISE CORPORATION

March 2, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Syncmold Enterprise Corporation

Opinion

We have audited the accompanying consolidated financial statements of Syncmold Enterprise Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is described as follows:

Occurrence of Sales Revenue under Triangular Trade

The sales revenue of the Group under triangular trade should be recognized when the control of inventory was transferred upon actual shipment of goods by the overseas subsidiaries. Due to the significant and frequent nature of the sales revenue under triangular trade in relation to total operating revenue, the occurrence of sales revenue under triangular trade was deemed as a key audit matter for the year ended December 31, 2025. Refer to Note 4 to the consolidated financial statements for the related revenue recognition policies.

In response to this key audit matter, our main audit procedures performed for the Group were as follows:

1. We obtained an understanding of and assessed the operating effectiveness of the design and implementation of the relevant internal controls.
2. We performed detailed verification tests on the selected samples of sales revenue under triangular trade, checked transaction vouchers, and confirmed the occurrence of sales revenue.
3. We checked payment receipts or reconciled sales customer account records for any irregularities.

Other Matter

We did not audit the financial statements of associates accounted for using the equity method. These were instead audited by other auditors. Our opinion, insofar as it relates to the amounts included for associates accounted for using the equity method, is based solely on the reports of other auditors. As of December 31, 2025 and 2024, the amounts of investments accounted for using the equity method were NT\$214,821 thousand and NT\$188,702 thousand, respectively, which accounted for 1.66% and 1.43% of the Group's consolidated total assets, respectively. For the years ended December 31, 2025 and 2024, the share of comprehensive income of associates accounted for using the equity method amounted to NT\$32,959 thousand and NT\$31,195 thousand, respectively, which accounted for 9.41% and 2.20% of the Group's consolidated total comprehensive income, respectively.

We have also audited the parent company only financial statements of Syncmold Enterprise Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion with an other matter paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Yao-Lin Huang and Shih-Chieh Chou.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 2, 2026

Notice to Readers

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

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

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 4,075,036	31	\$ 3,700,938	28
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	202,603	2	1,169,232	9
Financial assets at amortized cost - current (Notes 4, 8 and 30)	1,185,922	9	1,253,718	10
Notes receivable (Note 22)	22,073	-	186,231	1
Trade receivables, net (Notes 4, 9 and 22)	2,687,338	21	2,497,930	19
Inventories (Notes 4 and 10)	988,814	8	811,250	6
Other current assets (Notes 4 and 24)	408,783	3	296,572	2
Total current assets	9,570,569	74	9,915,871	75
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	76,128	1	87,755	1
Financial assets at amortized cost - non-current (Notes 4, 8 and 30)	3,498	-	3,427	-
Investments accounted for using the equity method (Notes 4 and 12)	214,821	2	188,702	2
Property, plant and equipment (Notes 4, 13, 29 and 30)	2,143,533	17	2,021,580	15
Right-of-use assets (Notes 4 and 14)	302,956	2	451,159	3
Intangible assets (Notes 4, 15 and 29)	52,159	-	42,977	-
Goodwill (Notes 4 and 16)	324,597	2	324,597	3
Deferred tax assets (Notes 4 and 24)	34,427	-	49,064	-
Prepayments for equipment (Note 29)	139,848	1	51,665	1
Refundable deposits	30,549	1	32,319	-
Net defined benefit assets (Notes 4 and 20)	11,370	-	10,457	-
Other non-current assets (Note 29)	15,511	-	1,226	-
Total non-current assets	3,349,397	26	3,264,928	25
TOTAL	\$ 12,919,966	100	\$ 13,180,799	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4, 17 and 30)	\$ 2,081,408	16	\$ 1,704,290	13
Notes payable and trade payables	1,732,350	14	1,761,353	14
Other payables (Notes 19 and 29)	655,743	5	623,268	5
Current tax liabilities (Notes 4 and 24)	167,736	1	154,765	1
Lease liabilities - current (Notes 4 and 14)	91,505	1	134,031	1
Current portion of long-term borrowings (Notes 4, 17 and 30)	22,820	-	21,650	-
Other current liabilities (Note 22)	12,580	-	12,173	-
Total current liabilities	4,764,142	37	4,411,530	34
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4, 17 and 30)	151,465	1	173,119	1
Deferred tax liabilities (Notes 4 and 24)	320,549	3	371,977	3
Lease liabilities - non-current (Notes 4 and 14)	40,259	-	128,427	1
Net defined benefit liabilities (Notes 4 and 20)	965	-	2,609	-
Guarantee deposits received	359	-	439	-
Other non-current liabilities (Note 20)	18,957	-	16,218	-
Total non-current liabilities	532,554	4	692,789	5
Total liabilities	5,296,696	41	5,104,319	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Ordinary shares	1,442,686	11	1,442,686	11
Capital surplus	3,376,992	26	3,371,549	26
Retained earnings				
Legal reserve	1,231,223	9	1,128,761	8
Special reserve	272,779	2	619,827	5
Unappropriated earnings	1,390,351	11	1,440,868	11
Total retained earnings	2,894,353	22	3,189,456	24
Other equity				
Exchange differences on translating the financial statements of foreign operations	(477,874)	(3)	(281,598)	(2)
Unrealized gain on financial assets at fair value through other comprehensive income	17,863	-	8,819	-
Total other equity	(460,011)	(3)	(272,779)	(2)
Total equity attributable to owners of the Corporation	7,254,020	56	7,730,912	59
NON-CONTROLLING INTERESTS	369,250	3	345,568	2
Total equity	7,623,270	59	8,076,480	61
TOTAL	\$ 12,919,966	100	\$ 13,180,799	100

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

(With Deloitte & Touche auditors' report dated March 2, 2026)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 22)	\$ 8,679,412	100	\$ 9,404,071	100
OPERATING COSTS (Notes 4, 10, 23 and 29)	<u>6,636,034</u>	<u>76</u>	<u>6,666,063</u>	<u>71</u>
GROSS PROFIT	<u>2,043,378</u>	<u>24</u>	<u>2,738,008</u>	<u>29</u>
OPERATING EXPENSES (Notes 9, 23 and 29)				
Selling and marketing expenses	411,497	5	383,940	4
General and administrative expenses	695,012	8	756,625	8
Research and development expenses	190,093	2	203,984	2
Expected credit (gain) loss	<u>(5,376)</u>	<u>-</u>	<u>19,870</u>	<u>1</u>
Total operating expenses	<u>1,291,226</u>	<u>15</u>	<u>1,364,419</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>752,152</u>	<u>9</u>	<u>1,373,589</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 4, 14 and 23)	23,260	-	18,071	-
Other gains and losses (Note 23)	(4,644)	-	(3,786)	-
Interest income	80,433	1	118,096	1
Net foreign exchange (loss) gain (Note 31)	(5,900)	-	110,008	1
Net gain on financial assets at fair value through profit (Note 4)	54,834	1	54,451	1
Share of profit of associates (Notes 4 and 12)	24,560	-	28,562	-
Interest expenses	<u>(51,429)</u>	<u>(1)</u>	<u>(46,491)</u>	<u>-</u>
Total non-operating income and expenses	<u>121,114</u>	<u>1</u>	<u>278,911</u>	<u>3</u>
PROFIT BEFORE INCOME TAX FROM OPERATIONS	873,266	10	1,652,500	17
INCOME TAX EXPENSE (Notes 4 and 24)	<u>338,682</u>	<u>4</u>	<u>598,856</u>	<u>6</u>
NET PROFIT FOR THE YEAR	<u>534,584</u>	<u>6</u>	<u>1,053,644</u>	<u>11</u>

(Continued)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 2,082	-	\$ 4,057	-
Share of other comprehensive income of associates accounted for using the equity method	8,390	-	2,563	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	(151)	-	(613)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>(194,563)</u>	<u>(2)</u>	<u>358,567</u>	<u>4</u>
Other comprehensive income (loss) for the year	<u>(184,242)</u>	<u>(2)</u>	<u>364,574</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
	<u>\$ 350,342</u>	<u>4</u>	<u>\$ 1,418,218</u>	<u>15</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 497,416	6	\$ 1,021,361	11
Non-controlling interests	<u>37,168</u>	<u>-</u>	<u>32,283</u>	<u>-</u>
	<u>\$ 534,584</u>	<u>6</u>	<u>\$ 1,053,644</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 311,142	4	\$ 1,371,936	15
Non-controlling interests	<u>39,200</u>	<u>-</u>	<u>46,282</u>	<u>-</u>
	<u>\$ 350,342</u>	<u>4</u>	<u>\$ 1,418,218</u>	<u>15</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 3.45</u>		<u>\$ 7.13</u>	
Diluted	<u>\$ 3.43</u>		<u>\$ 7.03</u>	

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

(With Deloitte & Touche auditors' report dated March 2, 2026)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation (Notes 4, 11, 12, 18, 21 and 26)											Non-controlling Interests (Notes 4, 21 and 26)	Total Equity
	Capital			Retained Earnings				Other Equity		Total Other Equity	Total		
	Ordinary Share	Capital Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE ON JANUARY 1, 2024	\$ 1,237,258	\$ 170,511	\$ 3,180,597	\$ 1,064,029	\$ 518,796	\$ 1,160,008	\$ 2,742,833	\$ (626,422)	\$ 6,595	\$ (619,827)	\$ 6,711,372	\$ 324,083	\$ 7,035,455
Appropriation of 2023 earnings	-	-	-	64,732	-	(64,732)	-	-	-	-	-	-	-
Legal reserve	-	-	-	64,732	-	(64,732)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	101,031	(101,031)	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(578,000)	(578,000)	-	-	-	(578,000)	-	(578,000)
	-	-	-	64,732	101,031	(743,763)	(578,000)	-	-	-	(578,000)	-	(578,000)
Changes in capital surplus from investments in associates accounted for by using equity method	-	-	-	-	-	(265)	(265)	-	-	-	(265)	-	(265)
Unclaimed dividends	-	-	85	-	-	-	-	-	-	-	85	-	85
Net profit for the year ended December 31, 2024	-	-	-	-	-	1,021,361	1,021,361	-	-	-	1,021,361	32,283	1,053,644
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	3,188	3,188	344,824	2,563	347,387	350,575	13,999	364,574
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	1,024,549	1,024,549	344,824	2,563	347,387	1,371,936	46,282	1,418,218
Convertible corporate bonds	205,428	(170,511)	166,680	-	-	-	-	-	-	-	201,597	-	201,597
Actual acquisition of interests in subsidiaries	-	-	366	-	-	-	-	-	-	-	366	(1,119)	(753)
Changes in ownership equity in subsidiaries	-	-	23,821	-	-	-	-	-	-	-	23,821	(23,678)	143
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	339	339	-	(339)	(339)	-	-	-
BALANCE ON DECEMBER 31, 2024	1,442,686	-	3,371,549	1,128,761	619,827	1,440,868	3,189,456	(281,598)	8,819	(272,779)	7,730,912	345,568	8,076,480
Appropriation of 2024 earnings	-	-	-	102,462	-	(102,462)	-	-	-	-	-	-	-
Legal reserve	-	-	-	102,462	-	(102,462)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(347,048)	347,048	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(793,477)	(793,477)	-	-	-	(793,477)	-	(793,477)
	-	-	-	102,462	(347,048)	(548,891)	(793,477)	-	-	-	(793,477)	-	(793,477)
Unclaimed dividends	-	-	87	-	-	-	-	-	-	-	87	-	87
Net profit for the year ended December 31, 2025	-	-	-	-	-	497,416	497,416	-	-	-	497,416	37,168	534,584
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	1,612	1,612	(196,276)	8,390	(187,886)	(186,274)	2,032	(184,242)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	499,028	499,028	(196,276)	8,390	(187,886)	311,142	39,200	350,342
Actual acquisition of interests in subsidiaries	-	-	5,356	-	-	-	-	-	-	-	5,356	(15,518)	(10,162)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	(654)	(654)	-	654	654	-	-	-
BALANCE ON DECEMBER 31, 2025	1,442,686	-	3,376,992	1,231,223	272,779	1,390,351	2,894,353	(477,874)	17,863	(460,011)	7,254,020	369,250	7,623,270

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

(With Deloitte & Touche auditors' report dated March 2, 2026)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 873,266	\$ 1,652,500
Adjustments for:		
Depreciation expenses	347,728	405,546
Amortization expenses	20,175	21,293
Expected credit (gain) loss	(5,376)	19,870
Net gain on financial assets at fair value through profit or loss	(54,834)	(54,451)
Interest expenses	51,429	46,491
Interest income	(80,433)	(118,096)
Dividend income	(10,758)	(6,569)
Share of profit of associates	(24,560)	(28,562)
Loss (gain) on disposal of property, plant and equipment	4,022	(633)
Loss on disposal of intangible assets	-	278
Write-downs of (reversal of) inventories	31,930	(26,800)
Net gain (loss) on unrealized foreign currency exchange	107,370	(3,396)
Gain on lease modification	(5,555)	(3,041)
Changes in operating assets and liabilities		
Notes receivable	159,947	23,196
Trade receivables	(339,358)	80,415
Inventories	(222,970)	(16,526)
Other current assets	(101,332)	3,764
Other non-current assets	(16,693)	346
Notes payable and trade payables	(15,982)	(216,627)
Other payables	26,599	141,233
Other current liabilities	14,127	(7,032)
Net defined benefit assets and liabilities	(474)	(1,791)
Other non-current liabilities	1,970	(3,690)
Cash generated from operations	<u>760,238</u>	<u>1,907,718</u>
Interest paid	(50,102)	(46,470)
Income tax paid	<u>(372,035)</u>	<u>(410,196)</u>
Net cash generated from operating activities	<u>338,101</u>	<u>1,451,052</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(1,916,011)	(1,917,922)
Proceeds from sale of financial assets at amortized cost	1,970,357	1,533,746
Purchase of financial assets at fair value through profit or loss	(1,002,211)	(3,045,300)
Proceeds from sale of financial assets at fair value through profit or loss	1,973,207	3,171,677
Acquisition of long-term equity investments under the equity method	-	(5,517)
Payments for property, plant and equipment	(317,884)	(186,396)
Proceeds from disposal of property, plant and equipment	26,414	26,155
Decrease in refundable deposits	1,059	505
Payments for intangible assets	(29,895)	(19,015)
Increase in prepayments for equipment	(141,729)	(49,695)

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SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Interest received	\$ 86,556	\$ 108,624
Dividends received	<u>17,598</u>	<u>29,369</u>
Net cash generated from (used in) investing activities	<u>667,461</u>	<u>(353,769)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	378,106	6,447
Proceeds from long-term borrowings	-	5,433
Repayments of long-term borrowings	(21,582)	(17,664)
Refunds of guarantee deposits received	(83)	(126)
Repayments of the principal portion of lease liabilities	(133,491)	(155,582)
Cash dividends	(793,477)	(578,000)
Cash capital increase by subsidiaries	-	143
Actual acquisition of additional interests in subsidiaries	<u>(10,162)</u>	<u>(753)</u>
Net cash used in financing activities	<u>(580,689)</u>	<u>(740,102)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(50,775)</u>	<u>110,468</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	374,098	467,649
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,700,938</u>	<u>3,233,289</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 4,075,036</u>	<u>\$ 3,700,938</u>

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

(With Deloitte & Touche auditors' report dated March 2, 2026)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Syncmold Enterprise Corporation (the “Corporation”) was incorporated in the Republic of China (ROC) in July 1979. The Corporation is mainly engaged in the processing, manufacturing, trading, technology licensing and related import and export business of various metal molds, plastic molds and electronic parts.

The Corporation’s shares were approved for listing on the emerging stock board of the Taipei Exchange (TPEX) in December 2005. After obtaining approval from the Financial Supervisory Commission, Executive Yuan in November 2006, the Corporation’s shares were listed on the over-the-counter (OTC) market on January 11, 2007. In November 2009, the Corporation obtained approval to transfer the listing of its shares to the Taiwan Stock Exchange (TWSE). The Corporation was officially listed and started trading its shares on December 17, 2009.

The consolidated financial statements are presented in the Corporation’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by Corporation’s board of directors on March 2, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

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

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

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

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

See Note 11 and Tables 5 and 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held interests in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at fair value. Other types of non-controlling interests are measured at fair value.

f. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange difference on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Group and the group entities in the Group (including subsidiaries in other countries) that are prepared using functional currencies which are different from the currency of the Corporation are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

g. Inventories

Inventories consist of raw materials, supplies, work in progress and finished goods and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

When the Corporation subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associates that are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

k. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

l. Impairment of property, plant and equipment, right-of-use asset and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

m. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividends or interest earned on such a financial asset. Fair value is determined in the manner described in Note 28.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Subsequent to initial recognition, financial assets at amortized cost, including cash, and cash equivalents notes receivable, trade receivables, other receivables, other receivables from related parties and refundable deposits are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that is not credit impaired on purchase or origination but has subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;

- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss.

2) Equity instruments

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

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Group's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's own equity instruments.

3) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Corporation are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

n. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods comes from sales of electronic components and molding products. Sales of electronic components and molding products are recognized as revenue when the goods are delivered via the modes of transportation as stated in the agreements with customers, e.g. FOB shipping or FOB destination modes because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. Goods are sold at fixed prices as stated in the agreements with customers.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

o. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments that depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

p. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized as a reduction of the related costs on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

r. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period it occurs and is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

s. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carry forwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	2025	2024
Cash on hand	\$ 2,464	\$ 2,748
Checking accounts and demand deposits	2,822,491	2,367,135
Cash equivalents		
Time deposits with original maturities within 3 months	<u>1,250,081</u>	<u>1,331,055</u>
	<u>\$ 4,075,036</u>	<u>\$ 3,700,938</u>

The market rate intervals of cash in the bank at the end of the reporting period were as follows:

	<u>December 31</u>	
	2025	2024
Bank deposits	0.000%-4.15%	0.000%-5.00%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	\$ 202,603	\$ 171,728
Mutual funds	-	212,986
Hybrid financial assets		
Structured deposits (Note)	<u>-</u>	<u>784,518</u>
	<u>\$ 202,603</u>	<u>\$ 1,169,232</u>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic emerging market shares	\$ 22,864	\$ 30,584
Domestic unlisted shares	20,952	19,928
Overseas unlisted shares	17,472	22,345
Private funds	<u>14,840</u>	<u>14,898</u>
	<u>\$ 76,128</u>	<u>\$ 87,755</u>

Note: The Group successively entered into one- to six-month structured time deposit contracts with bank in 2024. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract is assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

8. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Time deposits with original maturities of more than 3 months	\$ 1,184,411	\$ 1,252,270
Time deposits pledged as collateral with original maturities of more than 3 months	<u>1,511</u>	<u>1,448</u>
	<u>\$ 1,185,922</u>	<u>\$ 1,253,718</u>
<u>Non-current</u>		
Time deposits pledged as collateral with original maturities of more than 1 year	<u>\$ 3,498</u>	<u>\$ 3,427</u>

The interest rates for time deposits with original maturities of more than 3 months were 1.20%-2.25% and 2.05%-5.41% per annum as of December 31, 2025 and 2024, respectively.

The interest rate for time deposits pledged as collateral with original maturities of more than 3 months were 0.15%-4.20% and 0.15%-5.7% per annum as of December 31, 2025 and 2024, respectively.

See Note 30 for detailed information on financial assets at amortized cost pledged as collateral.

9. TRADE RECEIVABLES, NET

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
At amortized cost		
Gross carrying amount	\$ 2,712,726	\$ 2,528,100
Less: Allowance for impairment loss	<u>(25,388)</u>	<u>(30,170)</u>
	<u>\$ 2,687,338</u>	<u>\$ 2,497,930</u>

The average credit period of sales of goods is 90-160 days. No interest was charged on trade receivables. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

The Group applies the simplified approach to providing for expected credit losses prescribed, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

December 31, 2025

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	4.55%	16.44%	40.38%	95.58%	
Gross carrying amount	\$ 2,632,451	\$ 12,119	\$ 38,989	\$ 17,119	\$ 12,048	\$ 2,712,726
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(552)</u>	<u>(6,409)</u>	<u>(6,912)</u>	<u>(11,515)</u>	<u>(25,388)</u>
Amortized cost	<u>\$ 2,632,451</u>	<u>\$ 11,567</u>	<u>\$ 32,580</u>	<u>\$ 10,207</u>	<u>\$ 533</u>	<u>\$ 2,687,338</u>

December 31, 2024

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	1.44%	17.94%	40.21%	85.24%	
Gross carrying amount	\$ 2,419,220	\$ 35,608	\$ 48,279	\$ 679	\$ 24,314	\$ 2,528,100
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(511)</u>	<u>(8,661)</u>	<u>(273)</u>	<u>(20,725)</u>	<u>(30,170)</u>
Amortized cost	<u>\$ 2,419,220</u>	<u>\$ 35,097</u>	<u>\$ 39,618</u>	<u>\$ 406</u>	<u>\$ 3,589</u>	<u>\$ 2,497,930</u>

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

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance on January 1	\$ 30,170	\$ 9,932
Add: Net remeasurement of loss allowance	-	19,870
Less: Net remeasurement of loss allowance	(5,376)	-
Less: Amounts written off	-	(291)
Foreign exchange gains and losses	<u>594</u>	<u>659</u>
Balance on December 31	<u>\$ 25,388</u>	<u>\$ 30,170</u>

10. INVENTORIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Finished goods	\$ 359,325	\$ 408,932
Work in progress	211,562	143,183
Raw materials	<u>417,927</u>	<u>259,135</u>
	<u>\$ 988,814</u>	<u>\$ 811,250</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2025 and 2024 was \$6,636,034 thousand and \$6,666,063 thousand, respectively. The cost of goods sold for the years ended December 31, 2025 and 2024, included inventory write-downs of \$31,930 thousand and reversals of inventory write-downs of \$26,800 thousand, respectively. Inventory write-downs were reversed as a result of the reversed value in certain markets.

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Note
			<u>December 31</u>		
			<u>2025</u>	<u>2024</u>	
Syncmold Enterprise Corp.	Grand Advance Inc.	General investment business	100.00	100.00	-
	Syncmold Enterprise (Samoa) Corp.	General investment business	100.00	100.00	-
	Syncmold Enterprise (USA) Corp.	The trading, imports and exports of electronic parts	100.00	100.00	-

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Note
			December 31		
			2025	2024	
	Gatetech Technology Inc.	Precision molding and magnesium alloy die caster manufacturing and transaction business	75.94	74.17	Note 1
	Leohab Enterprise Co., Ltd.	Precision hardware components manufacturing	80.22	80.22	Note 2
	SynX Tech Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	Note 3
	Syncmold Enterprise Vietnam Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	-
	Syncmold Dong Nai Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	-	Note 5
	Syncmold Enterprise (Malaysia) Sdn., Bhd.	The trading, imports and exports of electronic parts and customer support & service center	100.00	100.00	-
	Syncmold Enterprise (Singapore) Pte., Ltd.	The trading, imports and exports of electronic parts and customer support & service center	100.00	100.00	-
	Syncmold Enterprise (Thailand) Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	Note 4
Grand Advance Inc.	Canford International Limited	General investment business	100.00	100.00	-
	Fullking Development Limited	General investment business	100.00	100.00	-
	Full Glary Holding Limited	General investment business	100.00	100.00	-
Syncmold Enterprise (Samoa) Corp.	Forever Business Development Limited	General investment business	100.00	100.00	-
	Full Celebration Limited	General investment business	100.00	100.00	-
	Fuzhou Fulfil Tech Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	-
	Fujian Khuan Hua Precise Mold Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	100.00	100.00	-
	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	-
Gatetech Technology Inc.	Gatech Holding Ltd.	General investment business	100.00	100.00	-
Leohab Enterprise Co., Ltd.	Sweet International Group Ltd.	General investment business	100.00	100.00	-
	Commuwell Enterprise (Thailand) Co., Ltd.	Plastic shot and hardware components manufacturing	100.00	100.00	-
Canford International Limited	Suzhou Fulfil Electronics Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	-
Fullking Development Limited	Zhongshan Fulfil Tech. Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business	100.00	100.00	-
Full Glary Holding Limited	Kunshan Fulfil Tech Co., Ltd.	Manufacturing and assembling of laptop components such as precision bearing, hardware and related accessories	100.00	100.00	-
Forever Business Development Limited	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	100.00	100.00	-
Full Celebration Limited	Chongqing Fulfil Tech Co., Ltd.	The processing, manufacturing, related imports and exports of all electronic, plastic and electronic parts	100.00	100.00	-
Gatech Holding Ltd.	Gatech International Ltd.	General investment business	100.00	100.00	-
Gatech International Ltd.	Gatetech (Suzhou) Technology Co., Ltd.	Aluminum and magnesium alloy manufacturing and trading	100.00	100.00	-
Sweet International Group Ltd.	Lucky King Holdings Ltd.	General investment business	100.00	100.00	-
Lucky King Holdings Ltd.	Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing	100.00	100.00	-

(Concluded)

- Note 1: On March 25, 2025, August 14, 2024 and July 18, 2024, the Group acquired additional 1.77%, 0.09% and 0.03% ownership in Gatetech Technology Inc. for a cash consideration of \$10,162 thousand, \$543 thousand and \$210 thousand, respectively. The proportion of the Group's ownership was 75.94% as of December 31, 2025. Refer to Note 26 for detailed information on the acquisition of non-controlling interests.
- Note 2: On May 30, 2024, the Group subscribed for additional new shares of Leohab Enterprise Co., Ltd. for a cash consideration of \$99,857 thousand at a percentage different from its existing ownership percentage and increased its continuing interest from 70% to 80.22%. Refer to Note 26 for detailed information on the acquisition of non-controlling interests during 2024.
- Note 3: On November 22, 2024, the Group invested \$50,000 thousand in cash to establish SynX Tech Co., Ltd.
- Note 4: On July 22, May 14, January 29, 2025 and September 4, 2024, the Group increased its capital investment in Syncmold Enterprise (THAILAND) Co., Ltd. by THB138,097 thousand, THB79,985 thousand, THB79,985 thousand and THB44,718 thousand, bringing the total investment amount to THB378,767 thousand (approximately NT\$354,047 thousand), respectively.
- Note 5: On October 21, 2025, the Group invested \$1,000 thousand in cash to establish Syncmold Dong Nai Co., Ltd., and increased its capital by \$2,000 thousand on December 19, 2025, bringing the total investment amount to \$3,000 thousand (approximately NT\$93,240 thousand).

Information on the subsidiaries included in the consolidated financial statements for the years ended December 31, 2025 and 2024 in the table above was based on the financial statements of the subsidiaries audited by the auditors for the same periods.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Associates that are not individually material		
Unlisted companies		
High Grade Tech Co., Ltd.	\$ 197,700	\$ 174,714
Smart Automation Technology Inc. (Note)	<u>17,121</u>	<u>13,988</u>
	<u>\$ 214,821</u>	<u>\$ 188,702</u>
<u>Aggregate information of associates that are not individually material</u>		
	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Group's share of:		
Net profit of the year	<u>\$ 24,560</u>	<u>\$ 28,562</u>
Other comprehensive income	<u>\$ 8,399</u>	<u>\$ 2,633</u>

Note: The Group originally held 49% of the shares of Smart Automation Technology Inc. On July 5, 2024, the Group did not subscribe to the cash capital increase of Smart Automation Technology Inc. for a cash consideration of \$5,517 thousand, which resulted in a decrease in its ownership percentage from 49% to 47.11%, and the net equity was reduced by \$265 thousand under the retained earnings.

All the investments of associates that are not individually material were accounted for using equity method, and the Corporation's share of profit or loss and other comprehensive income from those investments were calculated based on audited financial statements.

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Equipment	Transportation Equipment	Office Equipment	Other Equipment	Construction in Progress	Total
<u>Cost</u>								
Balance on January 1, 2025	\$ 795,451	\$ 1,334,543	\$ 1,532,849	\$ 58,364	\$ 64,985	\$ 285,755	\$ -	\$ 4,071,947
Additions	170,008	44,317	82,126	3,586	6,936	7,442	3,469	317,884
Disposals	-	(28,708)	(127,973)	(3,563)	(9,278)	(9,414)	-	(178,936)
Transferred from prepayments for equipment	18,750	11,858	10,843	-	839	1,411	-	43,701
Reclassifications	-	(721)	12	-	(12)	721	-	-
Effects of foreign currency exchange differences	20,601	(25,540)	(4,259)	(1,630)	(461)	(4,394)	205	(15,478)
Balance on December 31, 2025	<u>\$ 1,004,810</u>	<u>\$ 1,335,749</u>	<u>\$ 1,493,598</u>	<u>\$ 56,757</u>	<u>\$ 63,009</u>	<u>\$ 281,521</u>	<u>\$ 3,674</u>	<u>\$ 4,239,118</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2025	\$ -	\$ 708,084	\$ 1,053,253	\$ 38,268	\$ 47,375	\$ 203,387	\$ -	\$ 2,050,367
Depreciation expenses	-	77,803	89,470	3,429	7,387	21,365	-	199,454
Disposals	-	(28,452)	(99,329)	(3,240)	(8,821)	(8,658)	-	(148,500)
Reclassifications	-	(10)	21	-	(11)	-	-	-
Effects of foreign currency exchange differences	-	(3,505)	159	(724)	(484)	(1,182)	-	(5,736)
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 753,920</u>	<u>\$ 1,043,574</u>	<u>\$ 37,733</u>	<u>\$ 45,446</u>	<u>\$ 214,912</u>	<u>\$ -</u>	<u>\$ 2,095,585</u>
Carrying amounts at December 31, 2025	<u>\$ 1,004,810</u>	<u>\$ 581,829</u>	<u>\$ 450,024</u>	<u>\$ 19,024</u>	<u>\$ 17,563</u>	<u>\$ 66,609</u>	<u>\$ 3,674</u>	<u>\$ 2,143,533</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 793,622	\$ 1,300,741	\$ 1,535,549	\$ 54,596	\$ 58,502	\$ 266,143	\$ -	\$ 4,009,153
Additions	-	24,573	144,875	1,883	7,993	7,072	-	186,396
Disposals	-	(15,565)	(121,442)	(46)	(3,348)	(10,622)	-	(151,023)
Transferred from prepayments for equipment	-	188	8,671	-	-	-	-	8,859
Reclassifications	-	(12,099)	(100,833)	-	(501)	12,099	-	(101,334)
Effects of foreign currency exchange differences	1,829	36,705	66,029	1,931	2,339	11,063	-	119,896
Balance on December 31, 2024	<u>\$ 795,451</u>	<u>\$ 1,334,543</u>	<u>\$ 1,532,849</u>	<u>\$ 58,364</u>	<u>\$ 64,985</u>	<u>\$ 285,755</u>	<u>\$ -</u>	<u>\$ 4,071,947</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2024	\$ -	\$ 622,908	\$ 1,045,191	\$ 32,466	\$ 41,880	\$ 168,848	\$ -	\$ 1,911,293
Depreciation expenses	-	80,314	122,498	4,455	7,290	33,496	-	248,053
Disposals	-	(15,282)	(97,481)	(29)	(3,213)	(9,496)	-	(125,501)
Reclassifications	-	(2,332)	(60,099)	-	(357)	2,332	-	(60,456)
Effects of foreign currency exchange differences	-	22,476	43,144	1,376	1,775	8,207	-	76,978
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 708,084</u>	<u>\$ 1,053,253</u>	<u>\$ 38,268</u>	<u>\$ 47,375</u>	<u>\$ 203,387</u>	<u>\$ -</u>	<u>\$ 2,050,367</u>
Carrying amounts at December 31, 2024	<u>\$ 795,451</u>	<u>\$ 626,459</u>	<u>\$ 479,596</u>	<u>\$ 20,096</u>	<u>\$ 17,610</u>	<u>\$ 82,368</u>	<u>\$ -</u>	<u>\$ 2,021,580</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	5-60 years
Electromechanical power equipment	4-5 years
Equipment	1-20 years
Transportation equipment	4-10 years
Office equipment	1-10 years
Other equipment	1-20 years

See Note 30 for detailed information on property, plant and equipment pledged as collateral.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Land	\$ 158,191	\$ 170,189
Buildings	142,060	279,564
Transportation equipment	<u>2,705</u>	<u>1,406</u>
	<u>\$ 302,956</u>	<u>\$ 451,159</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 23,568</u>	<u>\$ 175,631</u>
Depreciation charge for right-of-use assets		
Land	\$ 4,720	\$ 4,888
Buildings	142,113	151,614
Transportation equipment	<u>1,441</u>	<u>991</u>
	<u>\$ 148,274</u>	<u>\$ 157,493</u>

Except for the additions, and recognized depreciation, the Group did not have any significant impairment of right-of-use assets during the years ended December 31, 2025 and 2024.

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amounts</u>		
Current	<u>\$ 91,505</u>	<u>\$ 134,031</u>
Non-current	<u>\$ 40,259</u>	<u>\$ 128,427</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2025	2024
Buildings	0.81%-4.90%	0.81%-4.90%
Transportation equipment	0.94%-2.00%	0.94%-1.71%

c. Other lease information

	December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 10,268</u>	<u>\$ 14,019</u>
Total cash outflow for leases	<u>\$ (152,420)</u>	<u>\$ (179,914)</u>

The Group leases certain buildings which qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

15. INTANGIBLE ASSETS

	Trademarks	Computer Software	Patents	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 45	\$ 107,712	\$ 682	\$ 108,439
Additions	-	29,895	-	29,895
Written off	-	(14,860)	-	(14,860)
Effects of foreign currency exchange differences	-	(658)	-	(658)
Balance on December 31, 2025	<u>\$ 45</u>	<u>\$ 122,089</u>	<u>\$ 682</u>	<u>\$ 122,816</u>
<u>Accumulated amortization</u>				
Balance on January 1, 2025	\$ 23	\$ 65,047	\$ 392	\$ 65,462
Amortization expenses	5	20,137	33	20,175
Written off	-	(14,860)	-	(14,860)
Effects of foreign currency exchange differences	-	(120)	-	(120)
Balance on December 31, 2025	<u>\$ 28</u>	<u>\$ 70,204</u>	<u>\$ 425</u>	<u>\$ 70,567</u>
Carrying amount at December 31, 2025	<u>\$ 17</u>	<u>\$ 51,885</u>	<u>\$ 257</u>	<u>\$ 52,159</u>
<u>Cost</u>				
Balance on January 1, 2024	\$ 45	\$ 101,832	\$ 1,710	\$ 103,587
Additions	-	19,015	-	19,015
Disposals	-	-	(1,028)	(1,028)
Written off	-	(15,969)	-	(15,969)
Effects of foreign currency exchange differences	-	2,834	-	2,834
Balance on December 31, 2024	<u>\$ 45</u>	<u>\$ 107,712</u>	<u>\$ 682</u>	<u>\$ 108,439</u>
<u>Accumulated amortization</u>				
Balance on January 1, 2024	\$ 19	\$ 58,333	\$ 1,089	\$ 59,441
Amortization expenses	4	21,236	53	21,293
Disposals	-	-	(750)	(750)
Written off	-	(15,969)	-	(15,969)
Effects of foreign currency exchange differences	-	1,447	-	1,447
Balance on December 31, 2024	<u>\$ 23</u>	<u>\$ 65,047</u>	<u>\$ 392</u>	<u>\$ 65,462</u>
Carrying amount at December 31, 2024	<u>\$ 22</u>	<u>\$ 42,665</u>	<u>\$ 290</u>	<u>\$ 42,977</u>

The above items of intangible assets are amortized on a straight-line basis their estimated useful lives as follows:

Trademarks	7-10 years
Computer software	1-5 years
Patents	1-19 years

16. GOODWILL

	<u>For the Year Ended December 31</u>	
	2025	2024
<u>Cost</u>		
Balance on January 1	<u>\$ 366,777</u>	<u>\$ 366,777</u>
Balance on December 31	<u>\$ 366,777</u>	<u>\$ 366,777</u>
<u>Accumulated impairment losses</u>		
Balance on January 1	<u>\$ 42,180</u>	<u>\$ 42,180</u>
Balance on December 31	<u>\$ 42,180</u>	<u>\$ 42,180</u>
Carrying amount at December 31	<u>\$ 324,597</u>	<u>\$ 324,597</u>

The Group acquired FulFil Tech Co., Ltd. on December 16, 2008 and recognized goodwill of \$366,777 thousand. The goodwill mainly arises from the expected benefit from sales growth of electronic components and molding products, and the potential of developing new electronic models.

The recoverable amount of plastic molding department was determined based on a value-in-use calculation that used the cash flow projections in the financial budgets approved by management covering a 5-year period; the discount rates were 9.44% and 9.63% in 2025 and 2024, respectively. Other key assumptions included budgeted revenue and budgeted gross margin. These assumptions were based on the past performance of the cash-generating unit and management's expectations of future market development.

17. BORROWINGS

a. Short-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Secured borrowings (Note 30)</u>		
Mortgage loans	\$ 270,000	\$ 386,900
<u>Unsecured borrowings</u>		
Line of credit borrowings	<u>1,811,408</u>	<u>1,317,390</u>
	<u>\$ 2,081,408</u>	<u>\$ 1,704,290</u>

The interest rate on bank loans were 1.85%-4.82% and 1.925%-5.25% as of December 31, 2025 and 2024, respectively.

b. Long-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Secured borrowings (Note 30)</u>		
Mortgage loans	\$ 174,285	\$ 194,769
Less: Current portion	<u>(22,820)</u>	<u>(21,650)</u>
	<u>\$ 151,465</u>	<u>\$ 173,119</u>

The effective interest rate on long-term borrowings were both 1.82%-4.71% on December 31, 2025 and 2024.

18. BONDS PAYABLE

	<u>December 31</u>	
	2025	2024
Domestic third unsecured convertible bonds	\$ -	\$ -
Less: Current portion	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

On September 9, 2021, the Corporation issued 12,000 units of NTD-denominated unsecured convertible corporate bonds with a 0% coupon rate, a 3-years issue period and a total principal amount of \$1,200,000 thousand.

The bonds are convertible into ordinary shares of the Corporation at any time on or after December 10, 2021, and prior to September 9, 2024, except during the closed period or suspension period.

The conversion price of bonds is set based on the arithmetic mean of the business day's closing share price multiplied by the 102% premium rate before the effective date on August 20, 2021. As of September 4, 2025, the corporate bonds with a face value of \$1,200,000 thousand have been fully converted.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares has exceeded 30% of the current conversion price for 30 consecutive business days, the Corporation may send a copy of the "Bond Redemption Notice" with an expiration date of one month by registered mail, and the expiration date of the period is determined as the base date for the recovery of bonds. The Corporation will redeem the bonds at their par value within 5 business days following the base date.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares is lower than 10% of the original total issue amount, the Corporation will therefore be entitled to send out a 30-day-expiration "Bond Redemption Notice" that is based on names recorded on the bondholder's name list 5 business days prior to the mailing day. The Corporation will redeem the bonds at their par value within 5 business days following the base date.

The convertible bonds contain both liability and equity components: The equity component was presented in equity under the heading of capital surplus - options. The liability components are recognized as liabilities of embedded derivative financial instruments and non-derivative products. Such embedded derivative financial instruments have been assessed at a fair value of \$0 thousand; non-derivative product liabilities were measured at \$0 thousand as of December 31, 2025 and 2024 based on amortized cost and its effective interest rate originally recognized was 1.0663%.

Proceeds from issuance (less transaction cost of \$4,998 thousand)	\$ 1,337,453
Equity component	<u>(175,396)</u>
Liability component at the date of issue (including \$1,162,417 thousand of bonds payable and NT\$360 thousand of financial asset at FVTPL - non-current)	1,162,057
Interest charged at an effective interest rate of 1.0663%	28,498
Convertible bonds converted into ordinary shares	(1,190,915)
Loss on valuation of financial instruments	<u>360</u>
Liability component on December 31, 2024	<u>\$ -</u>

As of December 31, 2024, the Corporation's third unsecured convertible bonds with a face value of \$1,200,000 thousand have all been converted into 20,544.4 thousand ordinary shares.

19. OTHER PAYABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Other payables		
Payables for salaries or bonuses	\$ 347,325	\$ 395,405
Others (Note 29)	<u>308,418</u>	<u>227,863</u>
	<u>\$ 655,743</u>	<u>\$ 623,268</u>

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Group of the Group adopted a pension plan under the Labor Pension Act (the "LPA"), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The subsidiaries operate a defined contribution retirement benefit plan for all qualifying employees of its subsidiaries in China. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. Where employees leave the plan prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

b. Defined benefit plans

The defined benefit plans adopted by the Group of the Group in accordance with the Labor Standards Law is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 38,078	\$ 41,627
Fair value of plan assets	<u>(48,483)</u>	<u>(49,475)</u>
Net defined benefit liabilities (assets)	<u>\$ (10,405)</u>	<u>\$ (7,848)</u>

The net defined benefit liabilities (assets) were \$965 thousand and \$(11,370) thousand recognized in the consolidated balance sheets for the year ended December 31, 2025.

The net defined benefit liabilities (assets) were \$2,609 thousand and \$(10,457) thousand recognized in the consolidated balance sheets for the year ended December 31, 2024.

Movements in net defined benefit assets were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets
Balance on January 1, 2024	\$ 41,620	\$ (43,620)	\$ (2,000)
Repayment incomes	-	(28)	(28)
Net interest expense (income)	<u>480</u>	<u>(511)</u>	<u>(31)</u>
Recognized in profit or loss	<u>480</u>	<u>(539)</u>	<u>(59)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(3,584)	(3,584)
Actuarial (gain) loss			
Changes in financial assumptions	(576)	-	(576)
Experience adjustments	<u>103</u>	<u>-</u>	<u>103</u>
Recognized in other comprehensive income	<u>(473)</u>	<u>(3,584)</u>	<u>(4,057)</u>
Repayment	<u>-</u>	<u>129</u>	<u>129</u>
Contributions from the employer	<u>-</u>	<u>(1,861)</u>	<u>(1,861)</u>
Balance on December 31, 2024	<u>41,627</u>	<u>(49,475)</u>	<u>(7,848)</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets
Net interest expense (income)	\$ 541	\$ (673)	\$ (132)
Recognized in profit or loss	<u>541</u>	<u>(673)</u>	<u>(132)</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(3,145)	(3,145)
Actuarial (gain) loss			
Changes in financial assumptions	494	-	494
Experience adjustments	<u>568</u>	<u>-</u>	<u>568</u>
Recognized in other comprehensive income	<u>1,062</u>	<u>(3,145)</u>	<u>(2,083)</u>
Contributions from the employer	<u>-</u>	<u>(342)</u>	<u>(342)</u>
Benefits paid	<u>(5,152)</u>	<u>5,152</u>	<u>-</u>
Balance on December 31, 2025	<u>\$ 38,078</u>	<u>\$ (48,483)</u>	<u>\$ (10,405)</u> (Concluded)

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2025	2024
Discount rate	1.25%	1.50%
Expected rate(s) of salary increase	1.000%-1.500%	1.000%-1.500%
Mortality rate	According to the sixth experience life table of the insurance industry in Taiwan	According to the sixth experience life table of the insurance industry in Taiwan
Turnover rate	0%-8.0%	0%-8.0%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Discount rate		
25% increase	\$ (494)	\$ (566)
25% decrease	\$ 509	\$ 583
Expected rate of salary increase		
25% increase	\$ 506	\$ 583
25% decrease	\$ (494)	\$ (569)

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Expected contributions to the plans for the next year	\$ 342	\$ 1,862
Average duration of the defined benefit obligation	5.5-9.4 years	6.7-9.8 years

- c. Commuwell Enterprise (Thailand) Co., Ltd. calculates the pension of Thai employees on the basis of seniority, in accordance with section 118/1 of the Labor Protection Act (No. 6).

21. EQUITY

- a. Share capital

Ordinary shares

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Number of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>
Shares authorized	\$ 2,000,000	\$ 2,000,000
Number of shares issued and fully paid (in thousands)	<u>144,269</u>	<u>144,269</u>
Shares issued	\$ 1,442,686	\$ 1,442,686

Fully paid ordinary shares, which have a par value of NT\$10, carry one vote per shares and right to dividends.

The authorized shares include 3,000 thousand shares allocated for the exercise of employee share options.

b. Capital surplus

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)</u>		
Issuance of ordinary shares	\$ 1,937,386	\$ 1,937,386
The difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	419,969	414,613
Consolidation excess	852,372	852,372
Unclaimed dividends	294	207
<u>May only be used to offset a deficit (Note 2)</u>		
Changes in percentage of ownership interests in subsidiaries	<u>166,971</u>	<u>166,971</u>
	<u>\$ 3,376,992</u>	<u>\$ 3,371,549</u>

Note 1: Such capital surplus, which includes the amount in excess of par value of issued stocks (including the issuance of ordinary shares at the excess premium, the conversion premium of bonds, and the premium of stocks due to the consolidation excess, etc.), unclaimed dividends, and the difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition, may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and to once a year).

Note 2: Such capital surplus which arises from the effects of changes in ownership interests in subsidiaries may only be used to offset a deficit.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan ranging from zero percent to ninety percent, which should be resolved by the shareholders in their meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 23-d.

As the Corporation is currently in the growth stage, the Corporation considers its industry development and long-term interests of shareholders as well as its programs to maintain operating efficiency and meet its financial goals when determining the distribution of bonuses in shares or cash. The board of directors shall propose allocation ratios every year and propose such allocation ratio at the shareholder's meeting. For the distribution of bonuses to shareholders, cash dividends are preferred. Distribution of earnings may also be made in the form of share dividends; provided that the ratio of cash dividends distributed is 5% to 100% of the total dividends distributed.

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

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2024 and 2023 which were approved by the shareholders in their meetings on May 29, 2025 and June 21, 2024, respectively, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
Legal reserve	<u>\$ 102,462</u>	<u>\$ 64,732</u>
Special reserve	<u>\$ (347,048)</u>	<u>\$ 101,031</u>
Cash dividends	<u>\$ 793,477</u>	<u>\$ 578,000</u>
Dividends per share (NT\$)	<u>\$ 5.50</u>	<u>\$ 4.11</u>

The appropriation of earnings for 2025, proposed by the Corporation's board of directors on March 2, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	<u>\$ 49,837</u>
Special reserve	<u>\$ 187,232</u>
Cash dividends	<u>\$ 432,806</u>
Dividends per share (NT\$)	<u>\$ 3.00</u>

The appropriation of earnings for 2025 is subject to the resolution of the shareholders in the shareholders' meeting to be held on May 29, 2026.

d. Special reserve

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 619,827	\$ 518,796
Appropriated to special reserve (Reversals of) debits to other equity items	<u>(347,048)</u>	<u>101,031</u>
Balance on December 31	<u>\$ 272,779</u>	<u>\$ 619,827</u>

On the initial application of the IFRS Accounting Standards, the net increase arising from the retained earnings was not enough for the special reserve appropriation; thus, the Corporation appropriated a special reserve in the amount of \$230,916 thousand, representing the remaining amount in retained earnings that resulted from the conversion to IFRS Accounting Standards. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRS Accounting Standards. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter distributed.

e. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 345,568	\$ 324,083
Share of profit for the year	37,168	32,283
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign entities	1,713	13,743
Remeasurement of defined benefit plans	319	256
Cash capital increase by subsidiaries	-	143
Changes in ownership interests in subsidiaries (Note 26)	-	(23,821)
Acquisition of non-controlling interests in subsidiaries (Note 26)	<u>(15,518)</u>	<u>(1,119)</u>
Balance on December 31	<u>\$ 369,250</u>	<u>\$ 345,568</u>

22. REVENUE

	For the Year Ended December 31	
	2025	2024
Revenue from contracts with customers		
Revenue from the sale of goods	<u>\$ 8,679,412</u>	<u>\$ 9,404,071</u>

a. Contracts with customers information

See Note 4 (n) for detailed information on contracts with customers.

b. Contract balance

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable	\$ 22,073	\$ 186,231	\$ 200,860
Trade receivables, net (Note 9)	<u>2,687,338</u>	<u>2,497,930</u>	<u>2,381,274</u>
	<u>\$ 2,709,411</u>	<u>\$ 2,684,161</u>	<u>\$ 2,582,134</u>

23. NET PROFIT

a. Other income

	For the Year Ended December 31	
	2025	2024
Dividends	\$ 10,758	\$ 6,569
Rental income	819	357
Subsidy income	5,078	4,956
Others	<u>6,605</u>	<u>6,189</u>
	<u>\$ 23,260</u>	<u>\$ 18,071</u>

b. Other gains and losses

	For the Year Ended December 31	
	2025	2024
(Loss) gain on disposal of property, plant and equipment	\$ (4,022)	\$ 633
Gain on lease modification	5,555	3,041
Others	<u>(6,177)</u>	<u>(7,460)</u>
	<u>\$ (4,644)</u>	<u>\$ (3,786)</u>

c. Depreciation, amortization and employee benefits expense:

	For the Year Ended December 31					
	2025			2024		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Defined contribution plan	\$ 73,093	\$ 22,371	\$ 95,464	\$ 74,542	\$ 20,717	\$ 95,259
Defined benefit plan	207	(339)	(132)	215	(246)	(31)
Other employee benefits	<u>1,279,571</u>	<u>571,781</u>	<u>1,851,352</u>	<u>1,287,635</u>	<u>642,051</u>	<u>1,929,686</u>
	<u>\$ 1,352,871</u>	<u>\$ 593,813</u>	<u>\$ 1,946,684</u>	<u>\$ 1,362,392</u>	<u>\$ 662,522</u>	<u>\$ 2,024,914</u>
Depreciation	<u>\$ 247,776</u>	<u>\$ 99,952</u>	<u>\$ 347,728</u>	<u>\$ 293,335</u>	<u>\$ 112,211</u>	<u>\$ 405,546</u>
Amortization	<u>\$ 4,359</u>	<u>\$ 15,816</u>	<u>\$ 20,175</u>	<u>\$ 3,418</u>	<u>\$ 17,875</u>	<u>\$ 21,293</u>

d. Compensation of employees and remuneration of directors

According to the Corporation's Articles of Incorporation, the Corporation shall use the current year's pre-tax profit before the distribution of the remuneration to employees and directors to make up for the accumulated loss, and if there is any remaining balance, the Company shall appropriate not less than 3% as employees' remuneration and not more than 2% as directors' remuneration. The compensation of employees (included grass-roots employees) and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Corporation's board of directors on March 2, 2026 and March 7, 2025, respectively, are as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	7.940%	7.181%
Remuneration of directors	1.906%	1.663%

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	\$ 50,000	\$ 95,000
Remuneration of directors	12,000	22,000

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

The appropriations of compensation of employees and remuneration of directors and supervisors for 2024 and 2023 that were resolved by the board of directors on March 7, 2025 and March 8, 2024, respectively, are as shown below:

	For the Year Ended December 31			
	2024		2023	
	Compensation of Employees	Remuneration of Directors	Compensation of Employees	Remuneration of Directors
Amounts approved in the board of directors' meeting	<u>\$ 95,000</u>	<u>\$ 22,000</u>	<u>\$ 75,000</u>	<u>\$ 17,000</u>
Amounts recognized in the annual consolidated financial statements	<u>\$ 95,000</u>	<u>\$ 22,000</u>	<u>\$ 75,000</u>	<u>\$ 17,000</u>

There is no difference between the actual amounts of the compensation of employees and remuneration of directors for 2024 and 2023 and recognized in the profit and loss for the years ended December 31, 2024 and 2023.

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

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 361,264	\$ 426,378
Income tax on unappropriated earnings	28,001	-
Adjustments for prior years	<u>(12,414)</u>	<u>20,389</u>
	<u>376,851</u>	<u>446,767</u>
Deferred tax		
In respect of the current year	(41,362)	154,001
Adjustments to deferred tax attributable to changes in tax rates and laws	<u>3,193</u>	<u>(1,912)</u>
	<u>(38,169)</u>	<u>152,089</u>
Income tax expense recognized in profit or loss	<u>\$ 338,682</u>	<u>\$ 598,856</u>

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2025	2024
Profit before tax	<u>\$ 873,266</u>	<u>\$ 1,652,500</u>
Income tax expense calculated at the statutory rate	\$ 341,502	\$ 638,198
Permanent differences	(43,263)	(73,758)
Unrecognized deductible temporary differences	4,639	4,453
Unrecognized loss carryforwards	17,024	11,486
Income tax on unappropriated earnings	28,001	-
Adjustments for prior years' tax	<u>(9,221)</u>	<u>18,477</u>
Income tax expense recognized in profit or loss	<u>\$ 338,682</u>	<u>\$ 598,856</u>

b. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable (included in other current assets)	<u>\$ 2,773</u>	<u>\$ 2</u>
Current tax liabilities		
Income tax payable	<u>\$ 167,736</u>	<u>\$ 154,765</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities are as follows:

For the year ended December 31, 2025

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws	Exchange Differences	Closing Balance
Temporary differences						
Allowance loss for exceeding limits	\$ 3,750	\$ (2,182)	\$ -	\$ (26)	\$ (9)	\$ 1,533
Allowance for inventory valuation and obsolescence losses	21,645	4,305	-	128	41	26,119
Unrealized exchange losses	-	-	-	-	-	-
Others	4,227	366	-	-	134	4,727
Loss carryforwards	<u>19,442</u>	<u>(15,943)</u>	<u>-</u>	<u>-</u>	<u>(1,451)</u>	<u>2,048</u>
	<u>\$ 49,064</u>	<u>\$ (13,454)</u>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ (1,285)</u>	<u>\$ 34,427</u>
Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws	Exchange Differences	Closing Balance
Temporary differences						
Gain on investments accounted for using the equity method	\$ 325,696	\$ (43,895)	\$ -	\$ 3295	\$ -	\$ 285,096
Unrealized exchange gains	18,126	(9,302)	-	-	(10)	8,814
Land value income tax	22,171	-	-	-	-	22,171
Others	<u>5,984</u>	<u>(1,619)</u>	<u>151</u>	<u>-</u>	<u>(48)</u>	<u>4,468</u>
	<u>\$ 371,977</u>	<u>\$ (54,816)</u>	<u>\$ 151</u>	<u>\$ 3295</u>	<u>\$ (58)</u>	<u>\$ 320,549</u>

For the year ended December 31, 2024

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws	Exchange Differences	Closing Balance
Temporary differences						
Allowance loss for exceeding limits	\$ 3,308	\$ 378	\$ -	\$ -	\$ 64	\$ 3,750
Allowance for inventory valuation and obsolescence losses	24,966	(4,463)	-	-	1,142	21,645
Unrealized exchange losses	168	(174)	-	-	6	-
Others	5,915	(1,957)	-	-	269	4,227
Loss carryforwards	<u>29,105</u>	<u>(12,235)</u>	<u>-</u>	<u>1,912</u>	<u>660</u>	<u>19,442</u>
	<u>\$ 63,462</u>	<u>\$ (18,451)</u>	<u>\$ -</u>	<u>\$ 1,912</u>	<u>\$ 2,141</u>	<u>\$ 49,064</u>

Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Adjustments to Deferred Tax Attributable to Changes in Tax Rates and Laws	Exchange Differences	Closing Balance
Temporary differences						
Gain on investments accounted for using the equity method	\$ 191,577	\$ 134,119	\$ -	\$ -	\$ -	\$ 325,696
Unrealized exchange gains	15,714	2,409	-	-	3	18,126
Land value income tax	22,171	-	-	-	-	22,171
Others	<u>6,121</u>	<u>(978)</u>	<u>613</u>	<u>-</u>	<u>228</u>	<u>5,984</u>
	<u>\$ 235,583</u>	<u>\$ 135,550</u>	<u>\$ 613</u>	<u>\$ -</u>	<u>\$ 231</u>	<u>\$ 371,977</u>

- d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	<u>December 31</u>	
	2025	2024
Deductible temporary differences	\$ 137,532	\$ 184,856
Loss carryforwards	<u>362,377</u>	<u>59,190</u>
	<u>\$ 499,909</u>	<u>\$ 244,046</u>

The unrecognized deductible temporary differences are goodwill amortization, excess loss allowance, impairment loss on financial assets measured at cost, and loss on investments accounted for using the equity method.

- e. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2025 comprised:

Unused Amount	Expiry Year
\$ 74,482	2026
112,211	2027
44,715	2028
27,067	2029
45,331	2030
4,893	2031
5,671	2033
15,291	2034
<u>42,044</u>	2035
<u>\$ 371,705</u>	

f. Income tax assessments

The income tax returns of the Corporation except for those for 2022 and 2024, have been assessed and cleared by the tax authorities.

The income tax returns of the Gatetech Technology Inc. and Leohab Enterprise Co., Ltd. through 2023 have been assessed by the tax authorities.

All the subsidiaries in China and other overseas countries have completed income tax returns within the time limit specified by the local tax collection authority.

25. EARNINGS PER SHARE

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

Net Profit for the Year

	For the Year Ended December 31	
	2025	2024
Earnings used in the computation of diluted earnings per share	\$ 497,416	\$ 1,021,361
Effect of potentially dilutive ordinary shares		
Convertible bonds	<u> -</u>	<u> 666</u>
	<u>\$ 497,416</u>	<u>\$ 1,022,027</u>

Shares

The weighted average number of ordinary shares outstanding (in thousands of shares) is as follows:

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	144,269	143,177
Effect of potentially dilutive ordinary shares		
Convertible bonds	-	1,092
Compensation of employees	<u> 866</u>	<u> 1,209</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>145,135</u>	<u>145,478</u>

The Group may settle the compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On March 25, 2025, the Group subscribed for additional new shares of Gatetech Technology Inc. at 1.77% from its existing ownership percentage for a cash consideration of \$10,162 thousand, respectively, and increased the Corporation's percentage of ownership from 74.17% to 75.94%.

On July 18, 2024, and August 14, 2024, the Corporation subscribed for additional new shares of Gatetech Technology Inc. at 0.03% and 0.09% from its existing ownership percentage for a cash consideration of \$210 thousand, and \$543 thousand, respectively, and increased the Corporation's percentage of ownership from 74.05% to 74.17%.

On May 30, 2024, the Group subscribed for additional new shares of Leohab Enterprise Co., Ltd. at a percentage different from its existing ownership percentage and increased its continuing interest from 70% to 80.22%.

The above transactions were accounted for as equity transactions, since the Corporation did not cease to have control over these subsidiaries.

For the year ended December 31, 2025

	Gatetech Technology Inc.
Consideration paid	\$ (10,162)
The proportionate share of carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>15,518</u>
Difference recognized from equity transactions	<u>\$ 5,356</u>
<u>Adjustment of difference recognized from equity transactions</u>	
Capital surplus - difference between actual acquisition of subsidiary's equity prices and carrying amount	<u>\$ 5,356</u>

For the year ended December 31, 2024

	Leohab Enterprise Co., Ltd.	Gatetech Technology Inc.
Consideration paid	\$ -	\$ (753)
The proportionate share of carrying amount of the net assets of the subsidiary transferred to non-controlling interests	<u>23,821</u>	<u>1,119</u>
Difference recognized from equity transactions	<u>\$ 23,821</u>	<u>\$ 366</u>
<u>Adjustment of difference recognized from equity transactions</u>		
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 23,821	\$ -
Capital surplus - difference between actual acquisition of subsidiary's equity prices and carrying amount	<u>-</u>	<u>366</u>
	<u>\$ 23,821</u>	<u>\$ 366</u>

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stockholders through the optimization of the debt and equity balance.

The strategy for managing the capital structure of the Group is based on the scale of the business, the future growth of the industry and the blueprints of the products' development. The Group calculates trading fund and cash based on its production capacity in order to have a long-term and completed plan. The Group takes into account product competition to estimate the products' contribution, operating profit margin and cash flow. It also considers the business cycle and the product's' life cycle and risks when deciding the appropriate capital structure.

Key management personnel of the Group review the capital structure on a regular basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Generally, the Group uses a cautious risk management strategy.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The Group's management believes that the carrying amounts of financial assets and financial liabilities not measured at fair value are close to their fair values, as their maturities are near or future cash flows are expected to approximate their carrying amounts.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares	\$ 202,603	\$ -	\$ -	\$ 202,603
Emerging market shares	-	-	22,864	22,864
Domestic unlisted shares	-	-	20,952	20,952
Overseas unlisted shares	-	-	17,472	17,472
Private funds	-	-	14,840	14,840
	<u>\$ 202,603</u>	<u>\$ -</u>	<u>\$ 76,128</u>	<u>\$ 278,731</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares	\$ 171,728	\$ -	\$ -	\$ 171,728
Mutual funds	212,986	-	-	212,986
Structured deposits	784,518	-	-	784,518
Emerging market shares	7,858	-	22,726	30,584
Domestic unlisted shares	-	-	19,928	19,928
Overseas unlisted shares	-	-	22,345	22,345
Private funds	-	-	14,898	14,898
	<u>\$ 1,177,090</u>	<u>\$ -</u>	<u>\$ 79,897</u>	<u>\$ 1,256,987</u>

There were no transfers between Levels 1 and 2 in the current and prior years.

2) Reconciliation of Level 3 fair value measurements of financial instruments

The financial assets which are measured by the third Level of fair value are FVTPL.

Reconciliation of Level 3 fair value measurements of financial instruments in 2025 and 2024.

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 79,897	\$ 73,574
Recognized in profit or loss (included in net (loss) gain on fair value changes of financial instruments at FVTPL)	(2,024)	5,898
Purchases	2,884	6,755
Refund of capital reduction	<u>(4,629)</u>	<u>(6,330)</u>
Balance on December 31	<u>\$ 76,128</u>	<u>\$ 79,897</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Domestic third unsecured convertible bonds	Under the assumption that bonds will be redeemed on September 9, 2024, discount rate adopted is calculated via interpolation method using government bond yield rates from public offer 2-year and 5-year period.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of emerging market shares are measured using the market approach, while the fair values of domestic and overseas unlisted shares and private funds are measured using the asset approach.

c. Categories of financial instruments

	December 31	
	2025	2024
<u>Financial assets</u>		
Mandatorily classified as at FVTPL	\$ 278,731	\$ 1,256,987
Financial assets at amortized cost (Note 1)	8,047,659	7,716,730
<u>Financial liabilities</u>		
Financial liabilities at amortized cost (Note 2)	4,296,820	3,888,714

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable and trade receivables, other receivables and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, current portion of long-term borrowings, long-term borrowings, notes payable and trade payables, other payables less salaries payable and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, financial assets mandatorily classified as at FVTPL, financial assets at amortized costs, equity investment, trade receivables, trade payables, accounts payable, bonds payable, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

Several subsidiaries of the Group have sales and purchases denominated in foreign currency, which exposes the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities (including those eliminated upon consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 31.

Sensitivity analysis

The Group is mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency-denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and their translation was adjusted at the end of the reporting period for a 1% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be positive.

	For the Year Ended December 31	
	2025	2024
<u>USD impact</u>		
USD:NTD	<u>\$ 2,700</u>	<u>\$ (65)</u>
USD:RMB	<u>\$ (31,433)</u>	<u>\$ (28,949)</u>
USD:VND	<u>\$ (1,269)</u>	<u>\$ (1,459)</u>

(Continued)

For the Year Ended December 31
2025 2024

RMB impact

RMB:NTD	\$ (1,103)	\$ (1,653)
RMB:USD	\$ (461)	\$ (457)
		(Concluded)

This was mainly attributable to the exposure on outstanding receivables and payables in USD and RMB which were not hedged at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

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

	<u>December 31</u>	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 2,439,501	\$ 3,372,718
Financial liabilities	2,387,457	2,161,517
Cash flow interest rate risk		
Financial assets	2,817,231	2,361,907

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding at the end of the reporting period. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100-basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$28,172 thousand and \$23,619 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate deposits.

c) Other price risk

The Group was exposed to equity price risk through its investments in domestic listed shares, domestic emerging market shares, mutual funds, domestic and overseas unlisted shares and private funds. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$2,787 thousand and \$4,725 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to reduce credit risk, the management team of the Group designated a special team to decide the credit ratings of counterparties and other monitoring procedures to make sure there are appropriate actions taken to collect the overdue receivables. Additionally, on each balance sheet date, the Group reviews the recoverable amounts to ensure appropriate allowances have been made for doubtful accounts. Therefore, the Group considers its credit risk to be significantly reduced.

The Group continuously assesses the financial conditions of customers with outstanding receivables.

As the counterparties of the Group are financial institutions and companies with good credit ratings, the Group has limited credit risk.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group has enough operating capital to comply with all contractual obligations with loan covenants; therefore, there is no liquidity risk due to the inability to raise funds to meet contractual obligations.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized short-term bank loan facilities set out in below.

Financing facilities

	December 31	
	2025	2024
Unsecured bank overdraft facilities, reviewed annually		
Amount used	\$ 1,811,408	\$ 1,317,390
Amount unused	<u>3,198,320</u>	<u>3,368,481</u>
	<u>\$ 5,009,728</u>	<u>\$ 4,685,871</u>
Secured bank overdraft facilities		
Amount used	\$ 444,285	\$ 581,669
Amount unused	<u>300,228</u>	<u>174,628</u>
	<u>\$ 744,513</u>	<u>\$ 756,297</u>

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Group and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Chen Chien Hung	Related party in substance (first-degree relative of the Corporation's director)
Chen Chien Yuan	The Corporation's director
Smart Automation Technology Inc.	Associate
Dongguan Smart Automation Technology Inc.	The subsidiary of associate

b. Purchases of goods

<u>Related Party Category</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The subsidiary of associate	\$ <u>-</u>	\$ <u>409</u>

Purchases from related parties had no material differences in price or payment terms compared to transactions with unrelated parties.

c. Operating costs

<u>Related Party Category</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associate	\$ 385	\$ 42
The subsidiary of associate	<u>362</u>	<u>58</u>
	<u>\$ 747</u>	<u>\$ 100</u>

d. Operating expenses

<u>Related Party Category</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associate	\$ <u>84</u>	\$ <u>-</u>

e. Acquisition of property, plant and equipment

<u>Related Party Category</u>	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associate	\$ 3,804	\$ 1,450
The subsidiary of associate	<u>922</u>	<u>545</u>
	<u>\$ 4,726</u>	<u>\$ 1,995</u>

f. Lease agreements

Related Party Category	For the Year Ended December 31	
	2025	2024
<u>Lease expense</u>		
The Corporation's director	\$ 1,864	\$ 1,744
Related party in substance	<u>1,716</u>	<u>1,406</u>
	<u>\$ 3,580</u>	<u>\$ 3,150</u>

Lease expenses included expenses relating to short-term leases.

The rental amounts agreed in lease contracts between the Group and other related parties are determined based on market prices and general payment terms.

g. Acquisition of other assets

Line Item	Related Party Category	Purchase Price	
		For the Year Ended December 31	
		2025	2024
Intangible assets	Associate	\$ 5,177	\$ 2,113
	The subsidiary of associate	<u>411</u>	<u>4,600</u>
		<u>\$ 5,588</u>	<u>\$ 6,713</u>

h. Payables to related parties (excluding loans from related parties)

Line Item	Related Party Category	December 31	
		2025	2024
Other payables	Associates	\$ 779	\$ 3
	The subsidiary of associate	<u>41</u>	<u>1,441</u>
		<u>\$ 820</u>	<u>\$ 1,444</u>

i. Prepayments

Line Item	Related Party Category	December 31	
		2025	2024
Prepayments for intangible assets (included in other non-current assets)	The subsidiary of associate	<u>\$ 1,400</u>	<u>\$ 44</u>
Prepayments for equipment	Associates	<u>\$ 31</u>	<u>\$ -</u>

j. Remuneration of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 56,402	\$ 63,478
Post-employment benefits	<u>386</u>	<u>331</u>
	<u>\$ 56,788</u>	<u>\$ 63,809</u>

The remuneration of directors and key executives, as determined by the remuneration committee, was based on the performance of individuals and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31	
	2025	2024
Property, plant and equipment	\$ 872,089	\$ 877,857
Financial assets at amortized cost	<u>5,009</u>	<u>4,875</u>
	<u>\$ 877,098</u>	<u>\$ 882,732</u>

31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 40,768	31.430 (USD:NTD)	\$ 1,281,338
USD	100,625	7.0288 (USD:RMB)	3,162,644
USD	18,967	26,593 (USD:VND)	596,133
RMB	35,596	4.496 (RMB:NTD)	160,040
RMB	10,255	0.1430 (RMB:USD)	46,106
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	556	31.430 (USD:NTD)	17,472
<u>Financial liabilities</u>			
Monetary items			
USD	49,358	31.430 (USD:NTD)	1,551,322
USD	615	7.0288 (USD:RMB)	19,329
USD	14,928	26,593 (USD:VND)	469,187
RMB	11,063	4.496 (RMB:NTD)	49,739

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 54,300	32.785 (USD:NTD)	\$ 1,780,226
USD	89,046	7.1884 (USD:RMB)	2,919,373
USD	9,264	25,650 (USD:VND)	303,720
RMB	51,374	4.478 (RMB:NTD)	230,053
RMB	10,214	0.1366 (RMB:USD)	45,738
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	682	32.785 (USD:NTD)	22,345

Financial liabilities

Monetary items			
USD	54,102	32.785 (USD:NTD)	1,773,734
USD	748	7.1884 (USD:RMB)	24,523
USD	4,813	25,650 (USD:VND)	157,794
RMB	14,456	4.478 (RMB:NTD)	64,734

The Group is mainly exposed to the USD and RMB. The following information was aggregated by the functional currencies of the group entities in the Group, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Foreign Currency	For the Year Ended December 31			
	2025		2024	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	\$ (2,694)	1 (NTD:NTD)	\$ 27,416
USD	31.180 (USD:NTD)	1,001	32.112 (USD:NTD)	(691)
RMB	4.333 (RMB:NTD)	(34,940)	4.454 (RMB:NTD)	68,145
VND	0.00119 (VND:NTD)	14,457	0.00127 (VND:NTD)	12,415
Others		<u>16,276</u>		<u>2,723</u>
		<u>\$ (5,900)</u>		<u>\$ 110,008</u>

32. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Material marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (None)

- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 3)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
 - 6) Intercompany relationships and significant intercompany transactions (Table 7)
- b. Information on significant investees (Table 5)
- c. Information on investments in mainland China:
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 6)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 3, 4 and 7)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
 - c) The amount of property transactions and the amount of the resultant gains or losses
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

33. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were electronic equipment and molding.

No operating segments have ceased operation during the year.

a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Income		Loss	
	For the Year Ended December 31		For the Year Ended December 31	
	2025	2024	2025	2024
Equipment - electronic parts	\$ 8,650,088	\$ 9,380,206	\$ 1,446,274	\$ 2,124,033
- plastic molding	<u>29,324</u>	<u>23,865</u>	<u>890</u>	<u>6,181</u>
Revenue from continuing operations	<u>\$ 8,679,412</u>	<u>\$ 9,404,071</u>	1,447,164	2,130,214
Non-operating income and expenses			121,114	278,911
General and administrative expenses			<u>(695,012)</u>	<u>(756,625)</u>
Income before tax			<u>\$ 873,266</u>	<u>\$ 1,652,500</u>

The above segment revenue and results were generated from the transactions with external customers. There were no inter-segment transactions for the years ended December 31, 2025 and 2024.

Segment profit represented the profit before tax earned by each segment without allocation of non-operating income and expenses, central administration costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets

The Group has no key operational personnel to monitor segment performance, and thus, the amount of segment assets is zero.

c. Other segment information

	Depreciation and Amortization	
	For the Year Ended December 31	
	2025	2024
Electronic parts department	\$ 348,845	\$ 391,903
Plastic molding department	<u>19,058</u>	<u>34,936</u>
	<u>\$ 367,903</u>	<u>\$ 426,839</u>

d. Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

	For the Year Ended December 31	
	2025	2024
Display hinges	\$ 8,650,088	\$ 9,380,206
Molding equipment	<u>29,324</u>	<u>23,865</u>
	<u>\$ 8,679,412</u>	<u>\$ 9,404,071</u>

e. Geographical information

The Group operates in three principal geographical areas - China, Vietnam and Taiwan.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	For the Year Ended December 31	
	2025	2024
China	\$ 3,574,328	\$ 4,621,646
Taiwan	3,072,311	3,733,716
Vietnam	1,167,246	560,550
Other	<u>865,527</u>	<u>488,159</u>
	<u>\$ 8,679,412</u>	<u>\$ 9,404,071</u>

f. Information about major customers

Revenue in 2025 and 2024 were \$8,679,412 thousand and \$9,404,071 thousand, respectively and each single customer contributing 10% or more to the Group's revenue was as follows:

Client Code	For the Year Ended December 31			
	2025		2024	
	Sales	% of Revenue	Sales	% of Revenue
A	\$ 1,557,557	17.95	\$ 1,963,783	20.88

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Notes 1 and 2)	Ending Balance (Notes 1 and 2)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
0	Syncmold Enterprise Corporation	Grand Advance Inc.	Other receivables from related parties	Yes	\$ 100,000	\$ 100,000	\$ -	-	Short-term financing	\$ -	Operating capital	\$ -	-	-	\$ 1,450,804 (20% of the net worth of the Corporation)	\$ 2,901,608 (40% of the net worth of the Corporation)
		Syncmold Enterprise (Samoa) Corp.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
		Gatetech Technology Inc.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
		Leohab Enterprise Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
		Commuwell Enterprise (Thailand) Co., Ltd.	Other receivables from related parties	Yes	50,000	-	-	-	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
		Syncmold Enterprise (THAILAND) Co., Ltd.	Other receivables from related parties	Yes	80,000	80,000	-	-	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
		SynX Tech Co., Ltd.	Other receivables from related parties	Yes	50,000	50,000	13,000	2.18	Short-term financing	-	Operating capital	-	-	-	1,450,804 (20% of the net worth of the Corporation)	2,901,608 (40% of the net worth of the Corporation)
1	Grand Advance Inc.	Syncmold Enterprise (USA) Corp.	Other receivables from related parties	Yes	22,001	15,715	-	-	Short-term financing	-	Operating capital	-	-	-	667,924 (20% of the net worth of Grand Advance Inc.)	1,669,811 (50% of the net worth of Grand Advance Inc.)
2	Syncmold Enterprise (Samoa) Corp.	Syncmold Enterprise Corporation	Other receivables from related parties	Yes	188,580	188,580	94,290	0.00	Short-term financing	-	Operating capital	-	-	-	459,951 (20% of the net worth of Syncmold Enterprise (Samoa) Corp.)	1,149,879 (50% of the net worth of Syncmold Enterprise (Samoa) Corp.)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	110,005	-	-	2.00	Short-term financing	-	Operating capital	-	-	-	459,951 (20% of the net worth of Syncmold Enterprise (Samoa) Corp.)	1,149,879 (50% of the net worth of Syncmold Enterprise (Samoa) Corp.)
		Grand Advance Inc.	Other receivables from related parties	Yes	94,290	94,290	-	-	Short-term financing	-	Operating capital	-	-	-	459,951 (20% of the net worth of Syncmold Enterprise (Samoa) Corp.)	1,149,879 (50% of the net worth of Syncmold Enterprise (Samoa) Corp.)
		Fullking Development Limited	Other receivables from related parties	Yes	71,189	71,189	71,189	0.00	Short-term financing	-	Operating capital	-	-	-	459,951 (20% of the net worth of Syncmold Enterprise (Samoa) Corp.)	1,149,879 (50% of the net worth of Syncmold Enterprise (Samoa) Corp.)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Notes 1 and 2)	Ending Balance (Notes 1 and 2)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
3	Forever Business Development Limited	Syncmold Enterprise Corporation	Other receivables from related parties	Yes	\$ 31,430	\$ 31,430	\$ 31,430	0.00	Short-term financing	\$ -	Operating capital	\$ -	-	-	\$ 63,125 (20% of the net worth of the Company)	\$ 157,812 (50% of the net worth of the Company)
4	Fuzhou Fulfil Tech Co., Ltd.	Fujian Khuan Hua Precise Mold Co., Ltd.	Other receivables from related parties	Yes	22,358	22,358	-	-	Short-term financing	-	Operating capital	-	-	-	212,079 (20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)	530,197 (50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)
		Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Other receivables from related parties	Yes	31,301	31,301	-	-	Short-term financing	-	Operating capital	-	-	-	212,079 (20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)	530,197 (50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	26,830	26,830	-	-	Short-term financing	-	Operating capital	-	-	-	212,079 (20% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)	530,197 (50% of the net worth of Fuzhou Fulfil Tech Co., Ltd.)
5	Suzhou Fulfil Electronics Co., Ltd.	Kunshan Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	35,773	35,773	-	-	Short-term financing	-	Operating capital	-	-	-	379,783 (20% of the net worth of Suzhou Fulfil Electronics Co., Ltd.)	949,459 (50% of the net worth of Suzhou Fulfil Electronics Co., Ltd.)
6	Zhongshan Fulfil Tech. Co., Ltd.	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Other receivables from related parties	Yes	35,773	35,773	-	-	Short-term financing	-	Operating capital	-	-	-	234,758 (20% of the net worth of Zhongshan Fulfil Tech. Co., Ltd.)	586,896 (50% of the net worth of Zhongshan Fulfil Tech. Co., Ltd.)

Note 1: The authorized of loans was approved by the board of directors.

Note 2: The highest balance, ending balance, and the actual amount borrowed were calculated based on the exchange rate at the end of 2025.

Note 3: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Synemold Enterprise Corporation	Gatetech Technology Inc.	Subsidiary	\$ 1,450,804 (20% of the net worth of the Corporation)	\$ 200,000	\$ 200,000	\$ 100,000	\$ -	2.76	\$ 3,627,010 (50% of the net worth of the Corporation)	Y	N	N
		Leohab Enterprise Co., Ltd.	Subsidiary	1,450,804 (20% of the net worth of the Corporation)	485,000	485,000	150,000	-	6.69	3,627,010 (50% of the net worth of the Corporation)	Y	N	N
		Synemold Enterprise Vietnam Co., Ltd.	Subsidiary	2,176,206 (30% of the net worth of the Corporation)	628,600 (US\$ 20,000 thousand)	628,600 (US\$ 20,000 thousand)	81,305	-	8.67	3,627,010 (50% of the net worth of the Corporation)	Y	N	N
		Commuwell Enterprise (Thailand) Co., Ltd.	Sub-subsiary	2,176,206 (30% of the net worth of the Corporation)	130,247 (THB 130,000 thousand)	130,247 (THB 130,000 thousand)	-	-	1.80	3,627,010 (50% of the net worth of the Corporation)	Y	N	N

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	Sales	\$ (225,709)	(99)	Note 1	\$ -	-	\$ 49,926	99	
Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Fuzhou Fulfil Tech Co., Ltd.	Indirect subsidiary	Sales	(169,862)	(39)	Note 1	-	-	10,544	12	
	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	Sales	(102,548)	(24)	Note 1	-	-	19,605	23	
Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Syncmold Enterprise Vietnam Co., Ltd.	Indirect subsidiary	Sales	(111,440)	(33)	Note 1	-	-	52,160	48	
Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	Sales	(306,809)	(22)	Note 1	-	-	77,852	18	
	Syncmold Enterprise (THAILAND) Co., Ltd.	Indirect subsidiary	Sales	(249,910)	(18)	Note 1	-	-	99,678	23	
Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	Sales	(934,280)	(71)	Note 1	-	-	602,362	81	
Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	Sales	(553,241)	(24)	Note 1	-	-	249,324	30	
Chongqing Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	Sales	(239,555)	(76)	Note 1	-	-	78,311	78	
Leohab Enterprise Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(306,594)	(56)	Note 1	-	-	162,651	69	
Syncmold Enterprise Vietnam Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(108,427)	(9)	Note 1	-	-	10,132	2	
Suzhou Leoho Electronics Co., Ltd.	Commuwell Enterprise (Thailand) Co., Ltd.	Indirect subsidiary	Sales	(335,883)	(33)	Note 1	-	-	252,131	50	
	Leohab Enterprise Co., Ltd.	Indirect subsidiary	Sales	(294,178)	(29)	Note 1	-	-	143,631	28	
Suzhou Fulfil Electronics Co., Ltd.	Kunshan Fulfil Tech Co., Ltd.	Indirect subsidiary	Purchases	225,709	12	Note 1	-	-	(49,926)	(13)	
Fuzhou Fulfil Tech Co., Ltd.	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Indirect subsidiary	Purchases	169,862	14	Note 1	-	-	(10,544)	(5)	
Suzhou Fulfil Electronics Co., Ltd.	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Indirect subsidiary	Purchases	102,548	6	Note 1	-	-	(19,605)	(5)	
Syncmold Enterprise Vietnam Co., Ltd.	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Indirect subsidiary	Purchases	111,440	10	Note 1	-	-	(52,160)	(14)	
Syncmold Enterprise Corporation	Fuzhou Fulfil Tech Co., Ltd.	Sub-subsiary	Purchases	306,809	12	Note 1	-	-	(77,852)	(7)	
Syncmold Enterprise (THAILAND) Co., Ltd.	Fuzhou Fulfil Tech Co., Ltd.	Indirect subsidiary	Purchases	249,910	92	Note 1	-	-	(99,678)	(93)	

(Continued)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Syncmold Enterprise Corporation	Zhongshan Fulfil Tech. Co., Ltd.	Sub-subsiary	Purchases	\$ 934,280	37	Note 1	\$ -	-	\$ (602,362)	(51)	
	Suzhou Fulfil Electronics Co., Ltd.	Sub-subsiary	Purchases	553,241	22	Note 1	-	-	(249,324)	(21)	
	Chongqing Fulfil Tech Co., Ltd.	Sub-subsiary	Purchases	239,555	10	Note 1	-	-	(78,311)	(7)	
	Leohab Enterprise Co., Ltd.	Subsidiary	Purchases	306,594	12	Note 1	-	-	(162,651)	(14)	
	Syncmold Enterprise Vietnam Co., Ltd.	Subsidiary	Purchases	108,427	4	Note 1	-	-	(10,132)	(1)	
Commuwell Enterprise (Thailand) Co., Ltd.	Suzhou Leoho Electronics Co., Ltd.	Indirect subsidiary	Purchases	335,883	59	Note 1	-	-	(252,131)	(87)	
Leohab Enterprise Co., Ltd.	Suzhou Leoho Electronics Co., Ltd.	Indirect subsidiary	Purchases	294,178	66	Note 1	-	-	(143,631)	(74)	

Note 1: Payment terms are the same as the payment terms of non-related parties.

Note 2: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL

DECEMBER 31, 2025

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

Company Name	Related Party	Relationship	Ending Balance (Note)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	\$ 602,362	-	\$ -	-	\$ 156,219	\$ -
Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Ultimate parent entity	249,324	-	-	-	87,932	-
Leohab Enterprise Co., Ltd.	Syncmold Enterprise Corporation	Parent company	162,651	-	-	-	83,005	-
Suzhou Leoho Electronics Co., Ltd.	Leohab Enterprise Co., Ltd.	Indirect subsidiary	143,631	-	-	-	55,221	-
	Commuwell Enterprise (Thailand) Co., Ltd.	Indirect subsidiary	252,131	-	-	-	46,910	-

Note: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
Syncmold Enterprise Corporation	Grand Advance Inc.	Samoa	General investment business	\$ 506,240	\$ 506,240	-	100.00	\$ 3,338,528	\$ 155,249	\$ 155,588	(Note 1)
	Syncmold Enterprise (Samoa) Corp.	Samoa	General investment business	110,598	110,598	3,546	100.00	2,280,117	71,315	61,068	(Note 1)
	Syncmold Enterprise (USA) Corp.	USA	Trading, import and export in electronic parts	32	32	-	100.00	(8,621)	(1,011)	(1,011)	(Note 1)
	High Grade Tech Co., Ltd.	Taiwan	The design and sale of television hangers and related import and export businesses	36,075	36,075	2,280	35.63	197,700	61,180	21,436	(Note 1)
	Smart Automation Technology Inc.	Taiwan	Software design services	21,197	21,197	2,120	47.11	17,121	6,709	3,124	(Note 1)
	Leohab Enterprise Co., Ltd.	Taiwan	Precision hardware components manufacturing	332,534	332,534	32,109	80.22	705,864	230,754	217,799	(Note 1)
	Gatetech Technology Inc.	Taiwan	Precision molding and magnesium alloy die caster manufacturing and transaction business	568,271	558,109	43,650	75.94	616,437	(66,420)	(51,276)	(Note 1)
	SynX Tech Co., Ltd.	Taiwan	Electronic parts processing manufacturing, trading and related import and export business	50,000	50,000	5,000	100.00	39,914	(10,016)	(10,016)	(Note 1)
	Syncmold Enterprise Vietnam Co., Ltd.	Vietnam	Electronic parts processing manufacturing, trading and related import and export business	579,944	579,944	-	100.00	685,325	73,386	73,380	(Note 1)
	Syncmold Enterprise (Malaysia) Sdn. Bhd.	Malaysia	The trading, imports and exports of electronic parts and customer support & service center	7,192	7,192	-	100.00	2,877	313	313	(Note 1)
	Syncmold Enterprise (Singapore) Pte., Ltd.	Singapore	The trading, imports and exports of electronic parts and products design	1,100	1,100	-	100.00	6,959	186	186	(Note 1)
	Syncmold Enterprise (Thailand) Co., Ltd.	Thailand	Electronic parts processing manufacturing, trading and related import and export business	354,047	75,155	3,788	100.00	331,638	(8,491)	(8,491)	(Note 1)
Syncmold Dong Nai Co., Ltd.	Vietnam	Electronic parts processing manufacturing, trading and related import and export business	93,240	-	-	100.00	91,587	(1,143)	(1,143)	(Note 1)	
Grand Advance Inc.	Canford International Limited	Samoa	General investment business	119,342	119,342	-	100.00	1,898,804	203,121	202,993	(Note 1)
	Fullking Development Limited	Hong Kong	General investment business	160,175	160,175	-	100.00	1,102,638	5,002	5,002	(Note 1)
	Full Glary Holding Limited	Hong Kong	General investment business	259,720	259,720	-	100.00	274,492	(26,074)	(25,608)	(Note 1)
Syncmold Enterprise (Samoa) Corp.	Forever Business Development Limited	Samoa	General investment business	125,957	125,957	-	100.00	314,834	24,251	24,817	(Note 1)
	Full Celebration Limited	Samoa	General investment business	147,710	147,710	-	100.00	153,832	21,602	21,602	(Note 1)
Gatetech Technology Inc.	Gatech Holding Ltd.	Samoa	General investment business	647,041	647,041	20,130	100.00	577,595	(25,876)	(25,876)	(Note 1)
Gatech Holding Ltd.	Gatech International Ltd.	Samoa	General investment business	657,284	657,284	20,268	100.00	577,595	(25,876)	(25,876)	(Note 1)
Leohab Enterprise Co., Ltd.	Sweet International Group Ltd.	British Virgin Islands	General investment business	147,834	147,834	5,868	100.00	705,275	208,300	188,651	(Note 1)
	Commuwell Enterprise (Thailand) Co., Ltd.	Thailand	Plastic shot and hardware components manufacturing	141,564	141,564	1,450	100.00	323,180	46,911	46,911	(Note 1)
Sweet International Group Ltd.	Lucky King Holdings Ltd.	Mauritius	General investment business	147,834	147,834	5,868	100.00	724,922	208,300	208,300	(Note 1)

Note 1: Calculated based on the audited financial statements of the investee company and the investor company's shareholding ratio.

Note 2: Refer to Table 6 for related information on investees from mainland China.

Note 3: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements, except for High Grade Tech Co., Ltd. and Smart Automation Technology Inc.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Fuzhou Fulfil Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	\$ 43,335	Invested through Syncmold Enterprise (Samoa) Corp.	\$ 65,469 (US\$ 2,083 thousand)	\$ -	\$ -	\$ 65,469 (US\$ 2,083 thousand)	\$ 35,938	100.00	\$ 30,960	\$ 1,050,139	\$ 2,747,045 (US\$ 87,402 thousand)
Fujian Khuan Hua Precise Mold Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	110,961	Invested through Syncmold Enterprise (Samoa) Corp.	42,619 (US\$ 1,356 thousand)	-	-	42,619 (US\$ 1,356 thousand)	35,967	100.00	36,914	295,449	-
Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	59,135	Invested through Syncmold Enterprise (Samoa) Corp.	-	-	-	-	19,039	100.00	18,923	207,158	122,514 (US\$ 3,898 thousand)
Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	125,386	Invested through Forever Business Development Limited	-	-	-	-	20,566	100.00	18,454	203,838	86,118 (US\$ 2,740 thousand)
Suzhou Fulfil Electronics Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	18,506	Invested through Canford International Limited	-	-	-	-	203,121	100.00	203,320	1,898,917	1,602,553 (US\$ 50,988 thousand)
Zhongshan Fulfil Tech. Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	152,604	Invested through Fullking Development Limited	-	-	-	-	4,935	100.00	4,947	1,173,792	2,021,389 (US\$ 64,314 thousand)
Kunshan Fulfil Tech Co., Ltd.	Manufacturing and assembling of laptops uses precise bearing, hardware and related accessories	234,336	Invested through Full Glary Holding Limited	188,580 (US\$ 6,000 thousand)	-	-	188,580 (US\$ 6,000 thousand)	(26,074)	100.00	(25,608)	274,537	-
Chongqing Fulfil Tech Co., Ltd.	The processing, manufacturing, related imports and exports of all electronic, plastic and hardware parts	139,310	Invested through Full Celebration Limited	-	-	-	-	21,602	100.00	21,712	153,820	569,637 (US\$ 18,124 thousand)
Gatetech (Suzhou) Technology Co., Ltd.	Aluminum and magnesium alloy manufacturing and trading	726,502	Invested through Gatech International Ltd.	763,749 (US\$ 24,300 thousand)	-	\$ -	763,749 (US\$ 24,300 thousand)	(25,876)	75.94	(19,556)	577,595	-
Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing	206,690	Invested through Lucky King Holdings Ltd.	140,744 (US\$ 4,478 thousand)	-	-	140,744 (US\$ 4,478 thousand)	208,300	80.22	185,655	724,922	89,607 (US\$ 2,851 thousand)

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$1,435,565 (US\$45,675 thousand)	\$2,434,033 (US\$77,443 thousand)	\$4,573,962

Note 1: Calculated based on the audited financial statements of the investee company and the Corporation's shareholding ratio.

Note 2: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements.

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

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

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details		Payment Terms	% of Total Sales or Asset (Note 3)
				Financial Statement Account	Price		
1	Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	\$ 934,280	No significant difference with non-related parties	11
				Trade receivables from related parties	602,362	No significant difference with non-related parties	5
2	Dongguan Khuan Huang Precision Mold Plastic Co., Ltd.	Syncmold Enterprise Vietnam Co., Ltd.	3	Sales	111,440	No significant difference with non-related parties	1
		Syncmold Enterprise Vietnam Co., Ltd.	3	Trade receivables from related parties	52,160	No significant difference with non-related parties	-
		Zhongshan Fulfil Tech. Co., Ltd.	3	Sales	92,016	No significant difference with non-related parties	1
		Zhongshan Fulfil Tech. Co., Ltd.	3	Trade receivables from related parties	34,660	No significant difference with non-related parties	-
		Fuzhou Fulfil Tech Co., Ltd.	3	Sales	54,411	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Sales	69,136	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	12,771	No significant difference with non-related parties	-
3	Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	306,809	No significant difference with non-related parties	4
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	77,852	No significant difference with non-related parties	1
		Syncmold Enterprise (THAILAND) Co., Ltd.	3	Sales	249,910	No significant difference with non-related parties	3
		Syncmold Enterprise (THAILAND) Co., Ltd.	3	Trade receivables from related parties	99,678	No significant difference with non-related parties	1
4	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Zhongshan Fulfil Tech. Co., Ltd.	3	Sales	84,114	No significant difference with non-related parties	1
		Zhongshan Fulfil Tech. Co., Ltd.	3	Trade receivables from related parties	31,480	No significant difference with non-related parties	-
		Fuzhou Fulfil Tech Co., Ltd.	3	Sales	169,862	No significant difference with non-related parties	2
		Fuzhou Fulfil Tech Co., Ltd.	3	Trade receivables from related parties	10,544	No significant difference with non-related parties	-
		Suzhou Fulfil Electronics Co., Ltd.	3	Sales	102,548	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	19,605	No significant difference with non-related parties	-
		Syncmold Enterprise Vietnam Co., Ltd.	3	Sales	69,993	No significant difference with non-related parties	1
		Syncmold Enterprise Vietnam Co., Ltd.	3	Trade receivables from related parties	22,547	No significant difference with non-related parties	-
5	Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	553,241	No significant difference with non-related parties	6
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	249,324	No significant difference with non-related parties	2
6	Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	3	Sales	225,709	No significant difference with non-related parties	3
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	49,926	No significant difference with non-related parties	-
7	Chongqing Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	239,555	No significant difference with non-related parties	3
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	78,311	No significant difference with non-related parties	1
8	Syncmold Enterprise (Samoa) Corp.	Syncmold Enterprise Corporation	2	Other receivables from related parties - financing	94,290	Based on the contract between both parties	1
		Fujian Khuan Hua Precise Mold Co., Ltd.	3	Other receivables from related parties - dividends	44,924	Based on the contract between both parties	-
		Fullking Development Limited	3	Other receivables from related parties - financing	71,189	Based on the contract between both parties	1

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details		Payment Terms	% of Total Sales or Asset (Note 3)
				Financial Statement Account	Price		
9	Fujian Khuan Hua Precise Mold Co., Ltd.	Fuzhou Fulfil Tech Co., Ltd.	3	Sales	\$ 42,862	No significant difference with non-related parties	-
		Suzhou Fulfil Electronics Co., Ltd.	3	Sales	29,975	No significant difference with non-related parties	-
		Zhongshan Fulfil Tech. Co., Ltd.	3	Sales	23,798	No significant difference with non-related parties	-
		Syncmold Enterprise Vietnam Co., Ltd.	3	Sales	37,305	No significant difference with non-related parties	-
		Syncmold Enterprise Vietnam Co., Ltd.	3	Trade receivables from related parties	37,804	No significant difference with non-related parties	-
10	Suzhou Leoho Electronics Co., Ltd.	Leohab Enterprise Co., Ltd.	3	Sales	294,178	No significant difference with non-related parties	3
		Leohab Enterprise Co., Ltd.	3	Trade receivables from related parties	143,631	No significant difference with non-related parties	1
		Commuwell Enterprise (Thailand) Co., Ltd.	3	Sale	335,883	No significant difference with non-related parties	4
		Commuwell Enterprise (Thailand) Co., Ltd.	3	Trade receivables from related parties	252,131	No significant difference with non-related parties	2
11	Leohab Enterprise Co., Ltd.	Suzhou Leoho Electronics Co., Ltd.	3	Consulting revenue	51,175	Based on the contract between both parties	1
		Suzhou Leoho Electronics Co., Ltd.	3	Trade receivables from related parties	29,066	No significant difference with non-related parties	-
		Commuwell Enterprise (Thailand) Co., Ltd.	3	Consulting revenue	13,525	Based on the contract between both parties	-
		Syncmold Enterprise Corporation	2	Sales	306,594	No significant difference with non-related parties	4
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	162,651	No significant difference with non-related parties	1
12	Commuwell Enterprise (Thailand) Co., Ltd.	Leohab Enterprise Co., Ltd.	3	Sales	87,396	No significant difference with non-related parties	1
		Leohab Enterprise Co., Ltd.	3	Trade receivables from related parties	44,273	No significant difference with non-related parties	-
13	Forever Business Development Limited	Syncmold Enterprise Corporation	2	Other receivables from related parties - financing	31,430	Based on the contract between both parties	-
14	SynX Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	12,181	No significant difference with non-related parties	-

Note 1: 0 represents the parent company and the subsidiaries are numbered from 1.

Note 2: 1 represents transactions from the parent company to the subsidiaries, 2 represents transactions from the subsidiaries to the parent company, and 3 represents transactions between the subsidiaries.

Note 3: The monetary amount of the transaction is calculated based on percentage of total sales or assets. If the account is an asset or a liability, the ratio is calculated using the ending balance. If the account is in the income statement, the ratio is calculated using cumulative amount during that period.

Note 4: The disclosure standard of the table above was 10% of the specified account and reached to \$10,000 thousand.

Note 5: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)