Stock Code: 6546

AMPAK Technology Inc. and Subsidiaries

Consolidated Financial Report and Independent Auditor's Review Report

Q1 of 2026 and 2025

Address: 6F.-2, No. 23, Huanke 1st Road, Zhubei City,
Hsinchu County
Tel: (03)6009666

§ Table of Contents §

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
AMPAK Technology Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of AMPAK Technology Inc. and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, the related consolidated statements of comprehensive income for the three months ended March 31, 2026 and 2025 and for the three months ended March 31, 2026 and 2025, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as 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 International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, its consolidated financial performance for the three months ended March 31, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers,and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Han-Ni Fang and Ching-Ting Yang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 6, 2026

<u>*Notice to Readers*</u>

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

AMPAK Technology Inc. and Subsidiaries

Consolidated Balance Sheet

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

Unit: NTD thousand

		March 31, 2026		December 31, 2025		March 31, 2025	
Code	Assets	Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and cash equivalents (Notes 4 and 6)	$ 986,716	30	$ 961,958	30	$ 1,055,151	31
1136	Financial assets at amortized cost - current (Notes 4 and 9)	258,000	8	354,070	11	487,547	14
1170	Accounts receivable, net (Notes 4, 10, 22 and 29)	296,682	9	300,488	9	330,697	10
1200	Other receivables (Notes 4, 10 and 29)	40,899	1	25,977	1	24,199	1
1220	Current income tax assets (Notes 4 and 24)	-	-	12,553	-	14,770	-
130X	Inventories (Notes 4 and 11)	470,324	14	388,943	12	498,164	14
1470	Other current assets (Note 4 and 16)	27,939	1	22,108	1	40,367	1
11XX	Total Current Assets	2,080,560	63	2,066,097	64	2,450,895	71
	Non-current Assets						
1510	Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 18)	169,875	5	169,330	5	-	-
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	217,953	7	162,724	5	78,116	2
1535	Financial assets at amortized cost - non-current (Notes 4, 9 and 30)	91,827	3	68,437	2	121,760	4
1600	Property, plant and equipment (Notes 4, 13 and 30)	641,931	19	648,939	20	657,570	19
1755	Right-of-use assets (Notes 4 and 14)	-	-	-	-	175	-
1805	Goodwill (Note 4)	29,717	1	29,717	1	29,717	1
1821	Other intangible assets (Notes 4 and 15)	21,021	1	23,118	1	29,311	1
1840	Deferred income tax assets (Notes 4 and 24)	36,943	1	35,995	1	34,174	1
1920	Other non-current assets (Notes 4, 16 and 20)	9,085	-	8,774	1	36,855	1
15XX	Total Non-current Assets	1,218,352	37	1,147,034	36	987,678	29
1XXX	Total Assets	$ 3,298,912	100	$ 3,213,131	100	$ 3,438,573	100
Code	Liabilities and Owner's Equity						
	Current Liabilities						
2100	Short-term loans (Notes 17 and 30)	$ 30,000	1	$ 30,000	1	$ 122,000	4
2120	Financial liabilities at fair value through profit or loss - current (Notes 7 and 18)	4,631	-	6,446	-	-	-
2130	Contractual liabilities (Notes 4 and 22)	24,698	1	23,852	1	14,514	-
2170	Accounts payable	302,986	9	297,621	9	382,736	11
2180	Accounts payable to related parties (Note 29)	46,915	1	64,972	2	36,558	1
2219	Other payables (Notes 19, 26 and 29)	278,752	9	121,101	4	345,746	10
2230	Current income tax liabilities (Notes 4 and 24)	37,979	1	24,519	1	32,345	1
2280	Lease liabilities - current (Notes 4 and 14)	-	-	-	-	181	-
2321	Corporate bonds with put options exercisable within one year (Notes 4 and 18)	490,727	15	487,938	15	-	-
2322	Long-term borrowings due within one year (Notes 17 and 30)	3,580	-	3,580	-	3,515	-
2399	Other current liabilities (Notes 19 and 29)	26,105	1	61,439	2	26,779	1
21XX	Total Current Liabilities	1,246,373	38	1,121,468	35	964,374	28
	Non-current Liabilities						
2500	Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 18)	-	-	-	-	1,863	-
2530	Corporate bonds payable (Note 4 and 18)	-	-	-	-	479,665	14
2540	Long-term loans (Notes 17 and 30)	61,145	2	62,035	2	64,744	2
2570	Deferred income tax liabilities (Notes 4 and 24)	3,665	-	1,337	-	2,912	-
2670	Other non-current liabilities (Note 19)	11,998	-	11,786	-	12,452	-
25XX	Total Non-current Liabilities	76,808	2	75,158	2	561,636	16
2XXX	Total Liabilities	1,323,181	40	1,196,626	37	1,526,010	44
	Equity attributable to owners of parent (Notes 4 and 21)						
	Share capital						
3110	Common share capital	668,484	20	668,484	21	668,484	20
3200	Capital reserve	932,244	28	932,365	29	931,480	27
	Retained earnings						
3310	Legal reserve	204,739	6	204,739	6	184,022	5
3320	Special reserve	47,353	2	47,353	1	60,132	2
3350	Undistributed earnings	107,323	3	214,603	7	104,095	3
3300	Total retained earnings	359,415	11	466,695	14	348,249	10
3490	Other equity	(9,907)	-	(68,136)	(2)	(53,847)	(2)
31XX	Total equity attributable to owners of parent	1,950,236	59	1,999,408	62	1,894,366	55
36XX	Non-controlling interests (Note 21)	25,495	1	17,097	1	18,197	1
3XXX	Total Owner's Equity	1,975,731	60	2,016,505	63	1,912,563	56
	Total Liabilities and Owner's Equity	$ 3,298,912	100	$ 3,213,131	100	$ 3,438,573	100

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

AMPAK Technology Inc. and Subsidiaries

Consolidated Comprehensive Income Statement

For the three months ended March 31, 2026 and 2025

Unit: NTD thousand, but NTD for earnings per share

Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
4000	Operating revenue (Notes 22 and 29)	$ 504,185	100	$ 600,929	100
5000	Operating costs (Notes 11, 15, 20, 23 and 29)	(366,372)	(73)	(459,151)	(77)
5900	Gross profit from operations	137,813	27	141,778	23
	Operating expenses (Notes 4, 15, 20, 23, and 29)				
6100	Marketing expenses	(12,920)	(2)	(13,098)	(2)
6200	Administrative expenses	(25,978)	(5)	(24,584)	(4)
6300	Research and development expenses	(38,736)	(8)	(42,215)	(7)
6000	Total operating expenses	(77,634)	(15)	(79,897)	(13)
6900	Net operating income	60,179	12	61,881	10
	Non-operating income and expenses (Note 23)				
7100	Interest income	4,759	1	11,687	2
7010	Other income	174	-	411	-
7020	Other gains and losses	14,135	3	12,533	2
7050	Financial cost	(3,275)	(1)	(3,665)	-
7000	Total non-operating income and expenses	15,793	3	20,966	4
7900	Net profit before tax	75,972	15	82,847	14
7950	Income tax expense (Notes 4 and 24)	(15,303)	(3)	(17,563)	(3)
8200	Net profit of the period	60,669	12	65,284	11

(continued on the next page)

(continued from the previous page)

Code		For the three months ended March 31, 2026		For the three months ended March 31, 2025	
		Amount	%	Amount	%
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	$ 58,229	12	($ 6,495)	(1)
8300	Total other comprehensive income	58,229	12	(6,495)	(1)
8500	Total comprehensive income	$ 118,898	24	$ 58,789	10
	Profit attributable to:				
8610	Owners of parent	$ 59,841	12	$ 64,697	11
8620	Non-controlling interests	828	-	587	-
8600		$ 60,669	12	$ 65,284	11
	Comprehensive income attributable to:				
8710	Owners of parent	$ 118,070	24	$ 58,202	10
8720	Non-controlling interests	828	-	587	-
8700		$ 118,898	24	$ 58,789	10
	Earnings per share (Note 25)				
9750	Basic	$ 0.90		$ 0.97	
9850	Diluted	$ 0.89		$ 0.96	

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

AMPAK Technology Inc. and Subsidiaries

Consolidated Statement of Changes in Equity

For the three months ended March 31, 2026 and 2025

Unit: NTD thousand

		Equity attributable to owners of parent												
		Share capital (Note 21)					Retained earnings (Note 21)				Other Equity			
Code		Number of shares (thousand)	Amount	Bond conversion entitlement	Total	Capital reserve (Note 21)	Legal reserve	Special reserve	Undistributed earnings	Total	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Total	Non-controlling interests	Total Owner's Equity
A1	Balance as of January 1, 2025	66,837	$ 668,368	$ 116	$ 668,484	$ 931,480	$ 184,022	$ 60,132	$ 273,367	$ 517,521	($ 47,352)	$ 2,070,133	$ 7,031	$ 2,077,164
	2024 earnings allocation and distribution													
B5	Cash dividend to shareholders	-	-	-	-	-	-	-	(233,969)	(233,969)	-	(233,969)	-	(233,969)
D1	Net profit for the three months ended March 31, 2025	-	-	-	-	-	-	-	64,697	64,697	-	64,697	587	65,284
D3	Other comprehensive income after tax for the three months ended March 31, 2025	-	-	-	-	-	-	-	-	-	(6,495)	(6,495)	-	(6,495)
D5	Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	-	-	64,697	64,697	(6,495)	58,202	587	58,789
I3	Bond conversion certificate conversion	11	116	(116)	-	-	-	-	-	-	-	-	-	-
M7	Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	10,579	10,579
Z1	Balance as of March 31, 2025	66,848	$ 668,484	$ -	$ 668,484	$ 931,480	$ 184,022	$ 60,132	$ 104,095	$ 348,249	($ 53,847)	$ 1,894,366	$ 18,197	$ 1,912,563
A1	Balance as of January 1, 2026	66,848	$ 668,484	$ -	$ 668,484	$ 932,365	$ 204,739	$ 47,353	$ 214,603	$ 466,695	($ 68,136)	$ 1,999,408	$ 17,097	$ 2,016,505
	2025 earnings allocation and distribution													
B5	Cash dividend to shareholders	-	-	-	-	-	-	-	(167,121)	(167,121)	-	(167,121)	-	(167,121)
D1	Net profit for the three months ended March 31, 2026	-	-	-	-	-	-	-	59,841	59,841	-	59,841	828	60,669
D3	Other comprehensive income after tax for the three months ended March 31, 2026	-	-	-	-	-	-	-	-	-	58,229	58,229	-	58,229
D5	Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	-	-	59,841	59,841	58,229	118,070	828	118,898
M7	Changes in ownership interests in subsidiaries	-	-	-	-	(121)	-	-	-	-	-	(121)	7,570	7,449
Z1	Balance as of March 31, 2026	66,848	$ 668,484	$ -	$ 668,484	$ 932,244	$ 204,739	$ 47,353	$ 107,323	$ 359,415	($ 9,907)	$ 1,950,236	$ 25,495	$ 1,975,731

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

AMPAK Technology Inc. and Subsidiaries

Consolidated Cash Flow Statement

For the three months ended March 31, 2026 and 2025

Unit: NTD thousand

Code		For the three months ended March 31, 2026	For the three months ended March 31, 2025
	Cash flow from (used in) operating activities		
A00010	Net profit before tax	$ 75,972	$ 82,847
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	7,262	7,071
A20200	Amortization expense	2,640	9,954
A20900	Financial cost	3,275	3,665
A21200	Interest income	(4,759)	(11,687)
A23800	Inventory impairment and sluggish loss	3,446	4,845
A20400	Gains (losses) on financial assets measured at fair value through other comprehensive income	(2,360)	1,913
A24100	Unrealized foreign exchange loss (gain)	(4,772)	(11,175)
A30000	Net changes in operating assets and liabilities		
A31150	Accounts receivable	7,908	15,111
A31180	Other receivables	(5,767)	(5,813)
A31200	Inventory	(84,827)	(108,545)
A31240	Other current assets	(5,831)	(11,441)
A31990	Net defined benefit asset	(24)	(27)
A32125	Contract liabilities	846	(1,776)
A32150	Accounts payable	(50)	12,741
A32160	Accounts payable - related parties	(19,257)	6,621
A32180	Other payables	(2,021)	(31,688)
A32230	Other current liabilities	(35,334)	(3,740)
A33000	Cash inflow (outflow) generated from operations	(63,653)	(41,124)
A33100	Interest received	4,759	11,687
A33300	Interest paid	(486)	(3,712)
A33500	Income tax paid (refunded)	12,090	(1,156)
AAAA	Net cash outflow from operating activities	(47,290)	(34,305)
	Cash flow from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(49,617)
B00040	Acquisition of financial assets at amortized cost	(212,930)	(481,387)
B00050	Proceeds from disposal of financial assets at amortized cost	286,740	420,560

(continued on the next page)

(continued from the previous page)

Code		For the three months ended March 31, 2026	For the three months ended March 31, 2025
B02700	Purchase of property, plant and equipment	($ 254)	($ 2,297)
B04500	Purchase of intangible asset	-	(117)
B06700	Increase in other non-current assets	(830)	(1,316)
BBBB	Cash flows from (used in) investing activities	72,726	(114,174)
	Cash flow from (used in) financing activities		
C00200	Decrease in short-term borrowings	-	(35,000)
C01700	Repayments of long-term debt	(890)	(873)
C03000	Increase in guarantee deposits received	212	158
C04020	Payments of lease liabilities	-	(135)
CCCC	Net cash outflow from financing activities	(678)	(35,850)
EEEE	Increase (decrease) in cash and cash equivalents of the period	24,758	(184,329)
E00100	Cash and cash equivalents at beginning of the period	961,958	1,239,480
E00200	Cash and cash equivalents at end of the period	$ 986,716	$ 1,055,151

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

AMPAK Technology Inc. and Subsidiaries

Notes to consolidated financial statements

For the three months ended March 31, 2026 and 2025

(unless otherwise specified, the amount is in NTD thousand)

I. Company History

AMPAK Technology Inc. (hereinafter referred to as the Company), originally named Taidian Electronics Co., Ltd., is a profit-seeking enterprise established in December 2000 in accordance with the Company Act. The company name was changed to Jiacheng Technology Co., Ltd. in February 2001, and then to AMPAK Technology Inc. in September 2009.

The Company is mainly engaged in the following business items: manufacturing, wholesale and retail of wireless communication machinery and equipment, manufacturing of electronic components, wholesale and retail of electronic materials, manufacturing of data storage and processing equipment, and manufacturing of wired communication machinery and equipment.

The Company’s shares were approved for public offering from August 12, 2020, and it registered as an emerging market company on November 9, 2020; Furthermore, it listed for trading on the Taipei Exchange on May 24, 2022.

This consolidated financial report is expressed in New Taiwan dollars, the functional currency of the Company.

II. Date and procedure of adoption of the financial report

The consolidated financial report was approved by the Board meeting on May 5, 2026.

III. Application of newly issued and revised standards and interpretations

(I) The first application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC) and Interpretations (SIC) (hereinafter referred to as “IFRSs”) recognized and published by the Financial Supervisory Commission (hereinafter referred to as the “FSC”).

The application of the amended IFRSs recognized and published by the FSC will not cause major changes to the accounting policies of the consolidated company.

(II) IFRSs issued by the IASB but not approved and effective by the FSC

Newly released/amended/revised standards and interpretation	The effective date of the IASB release (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Investment of Assets Between Investors and Their Affiliates or Joint Ventures”	Undetermined
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless otherwise noted, the above-mentioned new/amended/revised standards or interpretations shall come into effect during the annual reporting period starting after that date.

Note 2: On September 25, 2025, the FSC announced that companies in Taiwan shall apply IFRS 18 starting from January 1, 2028, and may elect early adoption upon the FSC’s approval of IFRS 18.

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

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements,” and the main changes of the standard include:

- The consolidated company shall assess whether it has specific major operating activities, including investments in certain types of assets and the provision of financing to customers, in order to classify items of income and expenses in the statement of profit or loss into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement shall report operating profit or loss, financing profit before tax or loss before tax, as well as subtotals and totals of the profit or loss.
- Provide guidelines to enhance the summarizing and separation requirements: The consolidated company shall identify assets, liabilities, equity, gains, expenses, and cash flow from individual transactions or other matters and carry out the classification and summary based on the common characteristics to allow the single line items reported in the major financial statements to have at least one similar characteristic. Items with non-similarity characteristics shall be separated in the major financial statements and notes. The consolidated company may only mark such items as “others” when a more informative label cannot be identified.

- Addition of disclosures of performance measurement defined by the management: When the consolidated company is carrying out public communications other than financial statements and when users of financial statements are communicating with the management from the perspective of a certain aspect of the overall financial performance of the consolidated company, relevant information on the performance measurement defined by the management shall be disclosed in a single note in the financial statements, including the description off the measurement, the calculation method, the reconciliation of it and the subtotal or total stipulated in the IFRSs, and the effects of relevant reconciliation items on income tax and non-controlling interest.

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

- When preparing cash flows from operating activities using the indirect method, the consolidated company shall use operating profit or loss as the starting point for reconciliation.
- Interest and dividends received by the consolidated company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. If the consolidated company determines that it has specific major operating activities, it shall consider the classification of dividend income, interest income, and interest expense presented in the statement of profit or loss in order to determine the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of the aforementioned cash flows shall be classified under only one category in the statement of cash flows.

As of the date of issuance of the consolidated financial report, the consolidated company is still assessing the impact of the amendments to the various standards and interpretations to the consolidated company’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

IV. Summary of significant accounting policies

(I) Declaration of Compliance

This consolidated financial report is prepared in compliance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The consolidated financial statements do not contain all IFRS Accounting Standards disclosures required by the entire annual financial statements.

(II) Basis of Preparation

Other than financial instruments measured at fair value and net defined benefit assets recognized at the present value of defined benefit obligations less the fair value of plan assets, the consolidated financial report is prepared based on historical costs.

Fair value measurement is divided into levels 1 to 3 according to the observability and importance of relevant input values:

1. Level 1 input value: refers to the quoted price (unadjusted) of the same assets or liabilities available in the active market on the measurement date.
2. Level 2 input value: refers to the direct (i.e., price) or indirect (i.e., derived from price) observable input value of assets or liabilities other than the quotation of level 1.
3. Level 3 input value: refers to the unobservable input value of assets or liabilities.

(III) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and the entities (subsidiaries) controlled by the Company. In the consolidated comprehensive income statement, the operating income of the acquired or affiliated subsidiaries since the acquisition date or until the disposal date has been included. The financial statements of the subsidiaries have been adjusted so that their accounting policies are consistent with those of the consolidated company. In the preparation of the consolidated financial statements, all transactions, account balances, gains and expense losses among the entities have been eliminated. The total comprehensive income of the subsidiaries is attributable to the owners and is the non-controlling interest of the Company, even if the non-controlling interest becomes a loss.

Where the change of ownership rights of the subsidiaries of the consolidated company does not result in a loss of control, it shall be treated as an equity transaction. The book values of the consolidated company and non-controlling interests have been adjusted to reflect the change in the relative interests in subsidiaries. The difference between the adjusted amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and belongs to the owners of the Company.

For details of subsidiaries, shareholding ratio and business items, please refer to Note 12 and Table 3.

(IV) Other Significant Accounting Policies

Except the following notes, please refer to the summary of significant accounting policies in the consolidated financial report of 2025.

1. Defined benefits and post-retirement benefits

   The pension cost of the interim period is calculated based on the pension cost rate determined by actuarial calculation from the end of the previous year to the end of the current period, and adjusted for major market fluctuations of the current period, as well as major plan amendments, repayments or other major one-off events.

2. Other long-term employee benefits

   The accounting treatment for other long-term employee benefits is the same as that for defined benefit retirement plans. However, the related remeasurement amounts are recognized in profit or loss.

3. Income tax expenses

   Income tax expense is the sum of current income tax and deferred income tax changes. The income tax of the interim period is assessed on an annual basis, and the profit before tax of the interim period is calculated at the tax rate applicable to the expected annual total earnings.

V. Main sources of uncertainty in significant accounting judgments, estimates, and assumptions

The major sources of uncertainty in significant accounting judgments, estimates, and assumptions adopted in this consolidated financial report are the same as those in the consolidated financial report for 2025.

VI. Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and working capital	$ 179	$ 180	$ 182
Bank checking accounts and demand deposit accounts	542,559	698,054	649,714
Cash equivalents			
Bank term deposits with an original maturity in 3 months	443,978	263,724	405,255
	$ 986,716	$ 961,958	$ 1,055,151

VII. Financial instruments at fair value through profit or loss

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets - non-current			
Mandatorily measured at fair value through profit or loss			
Non-derivative financial assets			
- Domestic listed preferred shares	$ 169,875	$ 169,330	$ -
Financial assets - non-current			
Held for trading			
Derivative instruments (not designated as hedging instruments)			
- Forward foreign exchange contracts (I)	$ 653	$ -	$ -
- Convertible bond option	3,978	6,446	-
	$ 4,631	$ 6,446	$ -
Financial liabilities - non-current			
Held for trading			
Derivative instruments (not designated as hedging instruments)			
- Convertible bond option	$ -	$ -	$ 1,863

(I) Forward foreign exchange contracts outstanding as of the balance sheet date to which hedge accounting was not applied are as follows:

March 31, 2026

	Currency	Maturity period	Contract amount (NTD thousand)
Purchase of forward foreign exchange	USD to NTD	March 4, 2026 to April 7, 2026	USD 1,000 / NTD 31,810
Purchase of forward foreign exchange	USD to NTD	March 4, 2026 to May 6, 2026	USD 1,000 / NTD 31,810

The consolidated company entered into forward foreign exchange transactions primarily to hedge the risks arising from exchange rate fluctuations on foreign currency assets and liabilities.

VIII. Financial assets measured at fair value through other comprehensive income

Equity instrument investment

	March 31, 2026	December 31, 2025	March 31, 2025
Non-current			
Domestic investments			
Listed stocks	$ 216,300	$ 161,100	$ 59,872
Unlisted stocks	-	-	424
Subtotal	216,300	161,100	60,296
Foreign investments			
Unlisted stocks	1,653	1,624	17,820
	$ 217,953	$ 162,724	$ 78,116

The consolidated company invests in the stocks above based on its medium and long-term strategies and expects to make profits through long-term investment. In the opinion of the management of the consolidated company, if the short-term fair value fluctuation of such investment is included in the income, it is not consistent with the aforesaid long-term investment plan, so they chose to designate such investment as measured at fair value through other comprehensive income.

In 2025, the consolidated company purchased common shares of GEMTEK Technology Co., Ltd. from the centralized securities market in multiple transactions, and since it is a mid- to long-term strategic investment, it was designated as measured at fair value through other comprehensive income.

IX. Financial assets measured at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Domestic investments			
Time deposits with an original maturity exceeding 3 months	$ 258,000	$ 354,070	$ 487,547
Non-current			
Domestic investments			
Time deposits with an original maturity exceeding 3 months	$ 91,827	$ 68,437	$ 121,760

For information about pledged financial assets at amortized cost, please refer to Note 30.

X. Accounts and other receivables (including related parties), net

	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable			
Measured at amortized cost			
Total book value	$ 296,682	$ 300,488	$ 330,697

Other receivables (including related parties)			
Measured at amortized cost			
Total book value	$ 40,899	$ 25,977	$ 24,199
Total book value measured at cost after amortization			

The average credit period of the consolidated company for commodity sales is 30 to 90 days, and the accounts receivable are not subject to interest. The impairment assessment of accounts receivable is based on individual assessment, aging analysis, historical experience, and analysis of the current financial situation of customers to estimate the amount that cannot be recovered.

The consolidated company recognizes the loss allowance of accounts receivable according to the expected credit loss during the period of existence. Lifetime expected credit losses are calculated using a provision matrix, taking into account customers' historical default records, current financial position, industry and economic conditions as well as GDP forecasts and industry outlook. As the historical experience of credit loss of the consolidated company shows that there is no significant difference in the loss pattern of different customer groups, the preparation matrix does not further distinguish customer groups, and only uses the overdue days of accounts receivable to determine the expected credit loss rate.

If there is evidence that the counterparty is facing serious financial difficulties and the consolidated company cannot reasonably expect the recoverable amount, for example, if the transaction counterparty is in liquidation, the consolidated company will directly write off the relevant receivables but will continue the recourse activities, and the amount recovered due to recourse will be recognized as income.

The consolidated company measures the provision for loss of accounts receivable according to the preparation matrix as follows:

March 31, 2026

	Not overdue	1 to 90 days overdue	91 to 180 days overdue	181 to 270 days overdue	271 to 365 days overdue	More than 365 days overdue	Total
Expected credit impairment rate	0.00%	0.00%	-	-	-	-	
Total book value	$289,475	$ 7,207	$ -	$ -	$ -	$ -	$296,682
Loss allowance (expected credit impairment during the existence period)	-	-	-	-	-	-	-
Amortized cost	$289,475	$ 7,207	$ -	$ -	$ -	$ -	$296,682

December 31, 2025

	Not overdue	1 to 90 days overdue	91 to 180 days overdue	181 to 270 days overdue	271 to 365 days overdue	More than 365 days overdue	Total
Expected credit impairment rate	0.00%	0.00%	-	-	-	-	
Total book value	$ 294,763	$ 5,725	$ -	$ -	$ -	$ -	$ 300,488
Loss allowance (expected credit impairment during the existence period)	-	-	-	-	-	-	-
Amortized cost	$ 294,763	$ 5,725	$ -	$ -	$ -	$ -	$ 300,488

March 31, 2025

	Not overdue	1 to 90 days overdue	91 to 180 days overdue	181 to 270 days overdue	271 to 365 days overdue	More than 365 days overdue	Total
Expected credit impairment rate	-	-	-	-	-	-	
Total book value	$ 289,035	$ 41,655	$ -	$ -	$ 7	$ -	$ 330,697
Loss allowance (expected credit impairment during the existence period)	-	-	-	-	-	-	-
Amortized cost	$ 289,035	$ 41,655	$ -	$ -	$ 7	$ -	$ 330,697

Information on changes in the loss allowance of accounts receivable is as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Opening and closing balance	$ -	$ -

XI. Inventory

	March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$ 281,893	$ 270,632	$ 323,365
Work in progress	73,723	25,290	64,379
Finished products and commodities	114,708	93,021	110,420
	$ 470,324	$ 388,943	$ 498,164

For the periods from January 1 to March 31, 2026 and 2025, costs of goods sold related to inventories were NTD 366,372 thousand and NTD 459,151 thousand, respectively. The cost of goods sold includes the losses for market price decline and obsolete and slow-moving inventories, which are NTD 3,446 thousand and NTD 4,845 thousand respectively.

XII. Subsidiary

Subsidiaries included in the consolidated financial statements

The main entities of the consolidated financial statements are as follows:

			Percentage of ownership interest and voting rights			
Name of investing company	Name of subsidiary	Nature of business	March 31, 2026	December 31, 2025	March 31, 2025	Description
The Company	SparkLAN Communications, Inc. (SparkLAN)	Communications business	92.44%	92.44%	96.84%	Note

The subsidiaries above listed in the consolidated financial statements have been reviewed by CPAs.

Note: In March 2025, the Board resolved to issue the 2024 remuneration of employees in stock and issue 501 thousand new shares. The Board resolved in August 2025 that the capital increase base date was August 31, 2025, resulting in the decrease of the Company's shareholding ratio in SparkLAN Communications, Inc. to 92.44%.

XIII. Property, plant and equipment

Self-use

	Self-owned land	Buildings	Machinery and equipment	Other equipment	Total
Cost					
Balance as of January 1, 2025	$ 340,650	$ 308,464	$ 50,619	$ 80,739	$ 780,472
Addition	-	-	2,297	-	2,297
Balance as of March 31, 2025	$ 340,650	$ 308,464	$ 52,916	$ 80,739	$ 782,769
Accumulated depreciation					
Balance as of January 1, 2025	$ -	$ 27,282	$ 25,196	$ 65,782	$ 118,260
Depreciation expense	-	4,436	1,309	1,194	6,939
Balance as of March 31, 2025	$ -	$ 31,718	$ 26,505	$ 66,976	$ 125,199
Net amount as of March 31, 2025	$ 340,650	$ 276,746	$ 26,411	$ 13,763	$ 657,570
Cost					
Balance as of January 1, 2026	$ 340,650	$ 308,464	$ 65,781	$ 80,587	$ 795,482
Addition	-	-	254	-	254
Disposal	-	-	-	(489)	(489)
Balance as of March 31, 2026	$ 340,650	$ 308,464	$ 66,035	$ 80,098	$ 795,247
Accumulated depreciation					
Balance as of January 1, 2026	$ -	$ 44,909	$ 31,340	$ 70,294	$ 146,543
Depreciation expense	-	4,366	1,678	1,218	7,262
Disposal	-	-	-	(489)	(489)
Balance as of March 31, 2026	$ -	$ 49,275	$ 33,018	$ 71,023	$ 153,316
Net amount as of December 31, 2025 and January 1, 2026	$ 340,650	$ 263,555	$ 34,441	$ 10,293	$ 648,939
Net amount as of March 31, 2026	$ 340,650	$ 259,189	$ 33,017	$ 9,075	$ 641,931

For the periods from January 1 to March 31, 2026 and 2025, there were no indications of impairment; therefore, the consolidated company did not perform an impairment assessment.

Depreciation expense is accrued on a straight-line basis according to the following durability years:

Buildings	50 years
Machinery and equipment	2 to 10 years
Other equipment	2 to 10 years

Please refer to Note 30 for the amount of self-use property, plant, and equipment set as a loan guarantee.

XIV. Lease agreement

(I) Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Book value of right-of-use assets			
Transportation equipment	$ -	$ -	$ 175

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Depreciation expenses of right-of-use assets		
Transportation equipment	$ -	$ 132

Except for the depreciation expense recognized above, the consolidated company's right-of-use assets were not subject to any material sublease or impairment for the periods from January 1 to March 31, 2026 and 2025.

(II) Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Book value of lease liabilities			
Current	$ -	$ -	$ 181

The range of discount rates for lease liabilities is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Transportation equipment	-	-	1.30%

(III) Other lease information

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Short-term rental expenses	$ 278	$ 140
Total cash (outflow) from lease	($ 278)	($ 276)

XV. Other intangible assets

	March 31, 2026	December 31, 2025	March 31, 2025
Patent rights	$ 35	$ 39	$ 49
Computer software	8,756	10,157	14,263
Customer relations	12,230	12,922	14,999
	$ 21,021	$ 23,118	$ 29,311

Except for the amortization expense recognized, the consolidated company's other intangible assets did not have any material additions, disposals, or impairment for the periods from January 1 to March 31, 2026 and 2025.

Amortization expense is accrued on a straight-line basis according to the following durability years:

Patent rights	20 years
Computer software	1 to 3 years
Customer relations	11 years

Summary of amortization expenses by function:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Operating costs	$ 31	$ 31
Marketing expenses	692	692
Administrative expenses	128	56
R&D expenses	1,246	1,546
	$ 2,097	$ 2,325

XVI. Other assets

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Business tax carry forward	$ 18,467	$ 16,716	$ 25,535
Prepaid expenses	4,382	5,205	5,853
Prepayments	5,019	-	8,976
Others	71	187	3
	$ 27,939	$ 22,108	$ 40,367
Non-current			
Deferred expenses	$ 1,317	$ 1,030	$ 27,606
Refundable deposits	505	505	910
Overdue receivables	17,149	17,149	17,142
Allowance for impairment losses - overdue receivables	(17,149)	(17,149)	(17,142)
Net defined welfare assets (Note 20)	7,263	7,239	8,339
	$ 9,085	$ 8,774	$ 36,855

XVII. Borrowings

(I) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured loans (Note 30)			
Bank loans	$ -	$ -	$ 62,000
Unsecured loans			
Credit loans	30,000	30,000	60,000
	$ 30,000	$ 30,000	$ 122,000

The consolidated company uses financial assets measured at amortized cost as collateral (see Note 30). As of March 31, 2026, December 31, 2025, and March 31, 2025, the interest rates on bank borrowings were 2.04%, 2.04%, and 1.63% to 2.04%, respectively.

(II) Long-term loans

	March 31, 2026	December 31, 2025	March 31, 2025
Secured loans (Note 30)			
Bank loans (1)	$ 64,725	$ 65,615	$ 68,259
Unsecured loans			
Less: Current portion due within one year	(3,580)	(3,580)	(3,515)
	$ 61,145	$ 62,035	$ 64,744

(1) The consolidated company borrowed using property, plant, and equipment as collateral (please refer to Note 30) with loan interest rates of 2.05%, 1.98%, and 2.04%, respectively, on March 31, 2026 and December 31 and March 31, 2025, respectively. The borrowing period is from September 2021 to September 2041 with the first 36 months constituting a grace period and principal and interest to be amortized over 17 years. The loan drawdown this time is used to purchase land and offices.

XVIII. Corporate bonds payable

	March 31, 2026	December 31, 2025	March 31, 2025
Domestic unsecured convertible bonds	$ -	$ -	$ 479,665
Less: Current portion due within one year	490,727	487,938	-
	$ 490,727	$ 487,938	$ 479,665

To repay the bank borrowings and replenish the working capital, the Company issued unsecured convertible bonds in Taiwan on June 5, 2024. The issuance is as follows:

(I) Total issuance amount: NTD 603,000 thousand

(II) Par value: NTD 100 thousand per bond

(III) Coupon rate: 0%

(IV) Effective interest rate: 2.2821%

(V) Carrying amount at the time of issuance: NTD 560,728 thousand

(VI) Duration: June 5, 2024 to June 5, 2027

(VII) Conversion period:

Except for the period of suspension of conversion, creditors may request to convert all convertible bonds held into ordinary shares of the Company from the day after three months from the issuance date (September 6, 2024) to June 5, 2027 (expiry date) according to the corporate bond conversion regulations at any time. The period of suspension of conversion is as follows:

(1) The book closure period of ordinary shares.

(2) 15 business days before the book closure date for stock grants the book closure date for cash dividends or the book closure date for the capital increase in cash through share subscription to the base date of rights distribution applied by the Company with TPEx.

(3) The base day for the capital reduction to one day prior to the trading date for the re-issuance of stocks.

(4) Other book closure periods according to the law.

(VIII) Conversion price and its adjustment:

The creditors may request the Company to convert the bonds they hold into ordinary shares of the Company at NTD 158.8 per share. After the issuance, if the issued ordinary shares of the Company increase, the conversion price will be adjusted according to the regulations. As of March 31, 2026, the conversion price was adjusted to NTD 149.

(IX) Repayment of bonds at maturity:

On the maturity date of the bonds, the issuing company will repay the bonds in cash in one lump sum based on the face value of the bonds.

(X) Bondholders' sell-back options:

Two years after the issuance of the corporate bonds (June 5, 2026), the bondholders may notify the Company in writing in accordance with the conversion regulations to request the Company to redeem the corporate bonds held by them with cash at the par value of the bonds.

(XI) The Company's right of redemption:

Three months after the issuance of the bonds (September 6, 2024) and up to 40 days prior to the expiry of the issuance period (April 26, 2027), if the closing price of the Company's ordinary shares on TPEx exceeds 30% (inclusive) of the then conversion price for 30 consecutive business days or when the outstanding balance of the bonds is lower than 10% of the initial total issuance amount, the issuance company may redeem all of its bonds with cash at the par value of the bonds.

The convertible bonds include asset, liability and equity components. The equity component is presented as capital reserve - share options under equity. The liability component is presented as liabilities embedded in financial products and non-derivative financial liabilities. The appraisal of the fair value of the liabilities embedded in financial products as of March 31, 2026 was NTD 3,978 thousand. The amount of non-derivative financial liabilities measured at amortized cost as of March 31, 2026 was NTD 490,727 thousand. The effective interest rate initially recognized was 2.2821%.

Liability component as of January 1, 2025	$ 476,939
Interest calculated at the effective interest rate of 2.2821%	2,726
Corporate bonds payable converted to ordinary shares	-
Liability component as of March 31, 2025	$ 479,665
Liability component as of January 1, 2026	$ 487,938
Interest calculated at the effective interest rate of 2.2821%	2,789
Liability component as of March 31, 2026	$ 490,727

XIX. Other liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Other payables			
Salary and bonus payable	$ 13,517	$ 16,568	$ 11,886
Employees' remuneration payable	62,280	70,560	71,944
Directors' remuneration payable	4,513	3,402	5,904
Expenses payable	8,550	10,507	11,609
Dividend payable	167,121	-	233,969
Others	22,771	20,064	10,434
	$ 278,752	$ 121,101	$ 345,746
Other liabilities			
Temporary credits	$ 20,270	$ 56,474	$ 25,472
Others	5,835	4,965	1,307
	$ 26,105	$ 61,439	$ 26,779
Non-current			
Other liabilities			
Guarantee deposits received	$ 11,998	$ 11,786	$ 12,452

XX. Post-employment benefit plan

For the periods from January 1 to March 31, 2026 and 2025, pension expenses related to defined benefit plans were recognized based on the pension cost rates actuarially determined as of December 31, 2025 and 2024, respectively, in the amounts of NTD (24) thousand and NTD (27) thousand, respectively.

XXI. Equity

(I) Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
The authorized number of shares (thousand shares)	100,000	100,000	100,000
The authorized share capital	$ 1,000,000	$ 1,000,000	$ 1,000,000
The number of issued shares fully paid for (thousand shares)	66,848	66,848	66,848
The issued share capital	$ 668,484	$ 668,484	$ 668,484

Common shares are issued at a par value of NTD 10, and each share has one voting right and the right to receive dividends.

(II) Capital reserve

	March 31, 2026	December 31, 2025	March 31, 2025
It may be used to cover losses, distribute cash or replenish share capital. (1)			
Premium from share issuance	$ 805,406	$ 805,406	$ 805,406
Conversion premium of corporate bonds	89,861	89,861	89,861
Employee stock options	2,228	2,228	2,228
Can only be used to cover losses			
Recognition of changes in ownership interests in subsidiaries (2)	4,114	4,235	3,350
Other - exercise of vesting rights	31	31	31
May not be used for any purposes			
Share options (3)	30,604	30,604	30,604
	$ 932,244	$ 932,365	$ 931,480

1. This type of capital reserve may be used to make up for losses, and when the Company has no losses, it may also be used to distribute cash or for capital appropriation; when used for capital appropriation, it is limited to a certain percentage of the paid-in capital every year.
2. The capital reserve is the effects of equity transactions recognized due to the changes in the equity of subsidiaries or the adjustments to the capital reserve of subsidiaries that the Company recognizes by using the equity method when the Company has not obtained or disposed of the equity of subsidiaries.
3. The capital reserve is the value of share options recognized for issuing convertible bonds.

(III) Retained earnings and dividend policy

According to the provisions of the earnings distribution policy in the Company's Articles of Incorporation, if there is a surplus in the annual final accounts, taxes shall be paid in accordance with the law, and after making up the cumulative loss, 10% shall be set aside as the legal reserve, and the rest shall be appropriated as or reversed from special reserve according to laws and regulations. If there is still a balance, the board meeting shall formulate an earnings distribution proposal for it together with the cumulative undistributed surplus, and submit it to the shareholders' meeting for a resolution to distribute dividends to shareholders. The Company's Articles of Incorporation specify the employee and director remuneration distribution policy, which can be referred to in Note 23(7) regarding employee and director remuneration.

The legal reserve should be appropriated until its balance reaches the total paid-in share capital of the Company. The legal reserve may be used to make up for losses. When the Company has no losses, the portion of the legal reserve exceeding 25% of the total paid-in share capital may be distributed in cash in addition to being appropriated as share capital.

When the Company made the provision for special reserve for the net deduction amount of other equity accumulated in the previous period, the provision was made only for the undistributed earnings in the previous period.

The Company held its board meeting and its general shareholders' meeting on March 3, 2026 and May 27, 2025, respectively, and made the following resolutions on the distribution of earnings for 2025 and 2024:

	Earnings distribution plan		Cash dividend per share (NTD)	
	2025	2024	2025	2024
Legal reserve	$ 18,314	$ 20,717		
Provision (reversal) of special reserve	20,783	(12,779)		
Cash dividend	167,121	233,969	$ 2.5	$ 3.5

The cash dividends for 2025 were approved for distribution by the Board of Directors on March 3, 2026, while the distribution of the remaining earnings is pending approval at the annual general shareholders' meeting, which is scheduled to be held on May 22, 2026.

(IV) Non-controlling interests

	March 31, 2026	March 31, 2025
Beginning balance	$ 17,097	$ 7,031
Net profit of the period	828	587
Changes in ownership interests in subsidiaries	7,570	10,579
Ending balance	$ 25,495	$ 18,197

The board meeting on March 3, 2026 resolved to approve the distribution of the remuneration of employees of NTD 7,449 thousand fully in shares for the subsidiary SparkLAN and the distribution is 363 thousand shares calculated based on the net worth per share of NTD 20.502 in the financial report of SparkLAN in the preceding year, resulting in the changes in the ownership interest in the subsidiary of the Company. As of the approval date for the publication of the consolidated financial report, SparkLAN has not distributed shares.

The board meeting on March 4, 2025 resolved to approve the distribution of the remuneration of employees of NTD 10,579 thousand fully in shares for the subsidiary SparkLAN, and the distribution is 501 thousand shares, calculated based on the net worth per share of NTD 21.12 in the financial report of SparkLAN in the preceding year. In addition, on August 12, 2025, the board of directors resolved to set August 31, 2025 as the ex-rights record date, resulting in a change in the Company's ownership interests in the subsidiary. SparkLAN Communications, Inc. completed the registration of changes on September 11, 2025.

XXII. Income

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Customer contract revenue		
Revenue from product sales	$ 504,185	$ 600,929

(I) Contract balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Total accounts receivable (Note 10 and 29)	$ 296,682	$ 300,488	$ 330,697	$ 341,366
Contractual liabilities - current				
Product sales	$ 24,698	$ 23,852	$ 14,514	$ 16,290

(II) Breakdown of customer contract revenue

Please refer to note 35 for the revenue breakdown.

XXIII. Net profit

(I) Interest income

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Bank deposits	$ 4,759	$ 11,687

(II) Other income

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Revenue from sales of materials	$ 27	$ -
Others	147	411
	$ 174	$ 411

(III) Other gains and losses

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Gains (losses) on financial assets and financial liabilities		
Financial assets mandatorily measured at fair value through profit or loss	$ 545	($ 50)
Financial liabilities held for trading	1,815	(1,863)
Net foreign currency exchange gain	11,775	14,446
	$ 14,135	$ 12,533

(IV) Financial cost

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Bank loan interest	$ 486	$ 938
Interests of convertible bonds	2,789	2,726
Lease liability interest	-	1
	$ 3,275	$ 3,665

(V) Depreciation and amortization

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Summary of depreciation expenses by function		
Operating costs	$ 381	$ 91
Operating expenses	6,881	6,980
	$ 7,262	$ 7,071
Summary of amortization expenses by function		
Operating costs	$ 81	$ 45
Operating expenses	2,559	9,909
	$ 2,640	$ 9,954

Please refer to Note 15 for information on the allocation of intangible asset amortization expenses to each individual item.

(VI) Employee benefit expenses

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Post-employment benefits		
Defined contribution plan	$ 1,538	$ 1,519
Defined welfare plan (Note 20)	(24)	(27)
	1,514	1,492
Other employee benefits	50,058	44,095
Total employee benefits	$ 51,572	$ 45,587
Summary by function		
Operating costs	$ 5,138	$ 4,836
Operating expenses	46,434	40,751
	$ 51,572	$ 45,587

(VII) Remuneration of employees, directors and supervisors

In accordance with the Articles of Incorporation, after making up the losses with the pre-tax profit of the current year, the Company appropriates 5% to 15% of the balance as the employees' remuneration, and no more than 2% as the directors' remuneration.

In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company has amended its Articles of Incorporation at the 2025 shareholders' meeting, specifying that no less than 10% of the employee remuneration allocated for the year shall be distributed to entry-level employees.

The estimated employees' remuneration (including entry-level employees' remuneration) and directors' remuneration for the three months ended March 31, 2026 and 2025 are as follows:

Estimated proportion

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Employees' remuneration	12%	10%
Directors' remuneration	1%	1%

Amount

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Employees' remuneration	$ 9,831	$ 8,721
Directors' remuneration	$ 819	$ 872

If there is still any change in the amount after the issuance date of the annual consolidated financial statements, it shall be handled according to the change of accounting estimate and adjusted and recorded in the next year.

Employees' remuneration and directors' remuneration for 2025 and 2024 were approved by the Board of Directors on March 3, 2026 and March 4, 2025, respectively, as follows:

	2025	2024
	Cash	Cash
Employees' remuneration	$ 24,088	$ 30,618
Directors' remuneration	2,409	3,062

There was no difference between the actual distribution amounts of employees' remuneration and directors' remuneration for 2025 and 2024 and the amounts recognized in the consolidated financial statements for 2025 and 2024.

Please visit the "Market Observation Post System" of the Taiwan Stock Exchange Corporation for the Company's board resolution on the employees' remuneration and directors' and supervisors' remuneration.

XXIV. Income tax

(I) Income tax recognized in profit and loss

The main components of income tax expenses are as follows:

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Income tax of the current period		
Incurred during the period	$ 13,923	$ 17,517
Deferred income tax		
Incurred during the period	1,380	46
Income tax expenses recognized as profit and loss	$ 15,303	$ 17,563

(II) Approved income tax

The tax filing of the Company and SparkLAN Communications, Inc. up to 2023 has been approved by the tax collection authority.

XXV. Earnings per share

The earnings used for calculating earnings per share and weighted average number of common shares are as follows:

Net profit of the period

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Net income used to calculate basic earnings per share	$ 59,841	$ 64,697
Impact of potential common shares with dilution effect:		
Interests of convertible bonds	2,789	2,726
Net income used to calculate diluted earnings per share	$ 62,630	$ 67,423

Number of shares

Unit: thousand shares

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
The weighted average number of common shares used for calculating basic earnings per share	66,848	66,848
Impact of potential common shares with dilution effect:		
Employees' remuneration	366	232
Convertible bonds	3,380	3,247
The weighted average number of common shares used for calculating diluted earnings per share	70,594	70,327

If the consolidated company has the option to pay employees' remuneration in stock or cash, the calculation of diluted earnings per share is based on the assumption that the employees' remuneration will be issued in stock, and the weighted average number of outstanding shares will be included in the calculation of diluted earnings per share when the potential common shares are diluted. When calculating the diluted earnings per share before the issuance of employees' remuneration shares in the next annual resolution, the dilution effect of such potential common shares shall also be considered.

XXVI. Cash flow information

For the periods from January 1 to March 31, 2026 and 2025, the consolidated company conducted the following non-cash financing activities:

On March 3, 2026, the Board of Directors resolved to distribute cash dividends of NTD 167,121 thousand, which had not yet been paid as of March 31, 2026.

The board meeting on March 4, 2025 resolved to distribute a cash dividend of NTD 233,969 thousand, which has not been distributed as of March 31, 2025.

XXVII. Capital risk management

Based on the characteristics of the current operation of the industry, the future development of the company, and factors such as changes in the external environment, the consolidated company plans the capital, research and development expenses, dividend payments and other needs in the future, so as to ensure that all enterprises in the group can improve the shareholder value in the long run by optimizing the debt and equity Balance on the premise of continuing operation.

The key management of the consolidated company reviews the capital structure of the group from time to time, including consideration of the cost of various types of capital and related risks. Based on the recommendation of the key management, the consolidated company will balance its overall capital structure by paying dividends, issuing new shares, repurchasing shares, and issuing new bonds or repaying old bonds.

XXVIII. Financial instrument

(I) Fair value information - financial instruments not measured at fair value

Except for those set out in the following table, the management of the consolidated company believes that the book value of financial assets and financial liabilities not measured at fair value approaches its fair value.

March 31, 2026

		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities measured at amortized cost					
- Corporate bonds payable	$ 490,727	$ 500,226	$ -	$ -	$ 500,226

December 31, 2025

		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities measured at amortized cost					
- Corporate bonds payable	$ 487,938	$ 491,765	$ -	$ -	$ 491,765

March 31, 2025

		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities					
Financial liabilities measured at amortized cost					
- Corporate bonds payable	$ 479,665	$ 562,773	$ -	$ -	$ 562,773

(II) Fair value information - financial instruments measured at fair value on a repetitive basis

1. Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Domestic and foreign listed preferred shares	$ 169,875	$ -	$ -	$ 169,875
Financial assets measured at fair value through other comprehensive income				
Equity instrument investment				
- Domestic and foreign listed stocks	$ 216,300	$ -	$ -	$ 216,300
- Domestic and foreign unlisted stocks	-	-	1,653	1,653
Total	$ 216,300	$ -	$ 1,653	$ 217,953
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ 653	$ 3,978	$ 4,631

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Domestic and foreign listed preferred shares	$ 169,330	$ -	$ -	$ 169,330
Financial assets measured at fair value through other comprehensive income				
Equity instrument investment				
- Domestic and foreign listed stocks	$ 161,100	$ -	$ -	$ 161,100
- Domestic and foreign unlisted stocks	-	-	1,624	1,624
Total	$ 161,100	$ -	$ 1,624	$ 162,724
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ -	$ 6,446	$ 6,446

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income				
Equity instrument investment				
- Domestic and foreign listed stocks	$ 59,872	$ -	$ -	$ 59,872
- Domestic and foreign unlisted stocks	-	-	18,244	18,244
Total	$ 59,872	$ -	$ 18,244	$ 78,116
Financial liabilities at fair value through profit or loss				
Derivatives	$ -	$ -	$ 1,863	$ 1,863

There was no transfer of fair value measurement between Level 1 and Level 2 for the three months ended March 31, 2026 and 2025.

2. Adjustment of Level 3 fair value measurement of financial instruments

For the three months ended March 31, 2026

Financial assets	Financial assets measured at fair value through other comprehensive income Equity instruments
Beginning balance	$ 1,624
Addition	-
Recognized in other comprehensive income (Unrealized gains (losses) on financial assets at fair value through other comprehensive income)	29
Ending balance	$ 1,653

For the three months ended March 31, 2025

Financial assets	Financial assets measured at fair value through other comprehensive income Equity instruments
Beginning balance	$ 17,909
Addition	-
Recognized in other comprehensive income (Unrealized gains (losses) on financial assets at fair value through other comprehensive income)	335
Ending balance	$ 18,244

3. Evaluation technology and input value of Level 2 fair value measurement

Categories of financial instruments	Valuation technique and input values
Derivatives: Foreign exchange forward contracts	Cash flow discount method: Estimate future cash flows based on observable forward exchange rates and contractual exchange rates for the end of the period and apply a discount rate that reflects the credit risk of each counterparty.

4. Evaluation technology and input value of Level 3 fair value measurement

The fair value of unlisted stocks without an active market is assessed using the market approach.

The market approach refers to the estimation of the fair value of investment targets by referring to the transaction prices and related information that are comparable in the market.

(III) Types of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets measured at amortized cost (Note 1)	$ 1,674,629	$ 1,711,435	$ 2,020,264
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	169,875	169,330	-
Financial assets measured at fair value through other comprehensive income			
Equity instrument investment	217,953	162,724	78,116
Financial liabilities			
Measured at amortized cost (Note 2)	1,226,103	1,079,033	1,447,416
Measured at fair value through profit or loss			
Held for trading	4,631	6,446	1,863

Note 1: The balance refers to financial assets at amortized cost, including cash and cash equivalents, financial assets at amortized cost, accounts receivable (including related parties), other receivables (including related parties), and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, accounts payable (including related parties), other payables (including related parties), guarantee deposits received, long-term borrowings due within one year, long-term borrowings, corporate bonds with a put option exercisable within one year, and corporate bonds payable.

(IV) Purpose and policy of financial risk management

The main financial instruments of the consolidated company include investments in equity and debt instruments, accounts receivable, accounts payable, corporate bonds payable, loans and lease liabilities. The financial management department of the consolidated company provides services for all business units, coordinates the entry into domestic and international financial markets, and supervises and manages the financial risks related to the operation of the consolidated company by analyzing the internal risk report of the exposure according to the risk level and breadth. These risks include market risk (including exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

The consolidated company hedges risk exposure through derivative financial instruments to mitigate the impact of the risk. The use of derivative financial instruments is regulated by the policies adopted by the board meeting of the consolidated company, which are the written principles for exchange rate risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments, and the investment of residual working capital. The internal auditors continuously recheck the policy compliance and exposure limit. The consolidated company does not trade financial instruments (including derivative financial instruments) for speculative purposes.

The Financial Management Department reports to the board meeting after the completion of derivative trading.

1. Market risk

The main financial risks borne by the consolidated company due to its operating activities are the risk from changes in foreign exchange rates (see (1) below), changes in interest rates (see (2) below), and other price changes (please see (3) below).

There is no change in the exposure of the consolidated company to the market risk of financial instruments and the management and measurement of such exposure.

(1) Exchange rate risk

The consolidated companies are engaged in foreign currency denominated sales and purchase transactions, which result in exposure to exchange rate changes.

Please refer to Note 33 for the book value of monetary assets and monetary liabilities (including monetary items written off under non-functional currency in the consolidated financial statements) of the consolidated company denominated in non-functional currency on the balance sheet date.

Sensitivity analysis

The consolidated company is mainly affected by the exchange rate fluctuations of US dollar.

The following table details the sensitivity analysis of the consolidated company when the exchange rate of NTD (functional currency) against each relevant foreign currency changes by 1%. The sensitivity analysis only includes the foreign currency items that are in circulation, and the conversion at the end of the period is adjusted by 1% of the exchange rate change. The positive numbers in the following table represent the amount of net profit before tax that will increase when NTD depreciates by 1% relative to each relevant foreign currency; when NTD appreciates by 1% relative to each relevant foreign currency, its impact on the net profit before tax will be a negative number of the same amount.

	The impact of USD	
	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Profit and loss	$ 5,491	$ 7,849

The impact of foreign currency on profit and loss listed in the table above mainly comes from the USD denominated non-derivative financial assets and liabilities of the consolidated company that are still in circulation on the balance sheet date with the cash flows unhedged.

Changes in the sensitivity to exchange rates of the consolidated company for the three months ended March 31, 2026 and 2025 are primarily due to the decrease in bank deposits denominated in USD and financial assets measured at amortized cost.

(2) Interest rate risk

Interest rate exposure is caused by the fact that entities in the consolidated company borrow funds at both fixed and floating rates. The consolidated company regularly evaluates the hedging activities to make them consistent with the interest rate view and the established risk appetite, so as to ensure that the most cost-effective hedging strategy is adopted.

The book values of the financial assets and financial liabilities of the consolidated company subject to interest rate exposure on the balance sheet date are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value related interest rate risk			
- Financial assets	$ 793,805	$ 685,197	$ 1,013,546
- Financial liabilities	520,727	517,938	601,665
Cash flow related interest rate risk			
- Financial assets	542,416	699,112	650,617
- Financial liabilities	64,725	65,615	68,259

Sensitivity analysis

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments on the balance sheet date. For floating rate liabilities, it is assumed that the amount of liabilities outstanding on the balance sheet date is also outstanding during the reporting period. The rate of change used by the Group to report interest rates to the key management is 100 basis points of increase or decrease in interest rates, which also represents the management's assessment of the reasonable range of possible changes in interest rates.

If the interest rate increased or decreased by 100 basis points, with all other variables held constant, the consolidated companies' profit before tax for the period from January 1 to March 31, 2026, would increase or decrease by NTD 1,194 thousand, and for the period from January 1 to March 31, 2025, would increase or decrease by NTD 1,456 thousand, mainly due to the net position of the consolidated companies' variable-rate bank deposits and variable-rate borrowings.

The sensitivity of the consolidated company to interest rate changes for the three months ended March 31, 2026, and 2025, was mainly due to the reduction in floating-rate borrowings.

(3) Other price risks

Equity price exposure arising from investments in equity securities held by the consolidated company. The consolidated company appoints personnel to supervise the price risk and assess when it is necessary to increase the hedging position of the hedged risk.

Sensitivity analysis

The following sensitivity analysis is based on the equity price exposure on the balance sheet date.

If the equity price increased or decreased by 1%, the profit before tax for the period from January 1 to March 31, 2026, would increase or decrease by NTD 1,699 thousand due to the rise or fall in the fair value of financial assets measured at fair value through profit or loss. The other comprehensive income before tax for the three months ended March 31, 2026 and 2025 will increase/decrease by NTD 2,180 thousand and NTD 781 thousand, respectively, due to the rise/fall of the fair value of financial assets measured by fair value through other comprehensive income.

The sensitivity of the consolidated company to investments in equity securities for the three months ended March 31, 2026, and 2025, was mainly due to an increase in investments in equity securities.

2. Credit risk

Credit risk refers to the risk of the Group's financial loss caused by default of contractual obligations of the counterparty. As of the balance sheet date, the maximum credit risk exposures of the consolidated company that may cause financial losses due to the performance failure of the counterparty and the financial guarantee provided by the consolidated company mainly come from the book value of financial assets recognized in the consolidated balance sheet.

In order to mitigate the credit risk, the management of the consolidated company has assigned a dedicated team to be responsible for the decision of credit lines and credit approvals and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, the consolidated company will review the recoverable amount of accounts receivable one by one on the balance sheet date to ensure that the unrecoverable accounts receivable have been included in appropriate impairment losses. Accordingly, the management of the Company believes that the credit risk of the consolidated company has been significantly reduced.

Accounts receivable cover many customers, scattered in different industries and geographical regions. The consolidated company continuously evaluates the financial status of customers with accounts receivable.

3. Liquidity risk

The consolidated company manages and maintains sufficient cash and cash equivalents to support group operations and mitigate the impact of cash flow fluctuations. The management of the consolidated company supervises the use of bank financing lines and ensures compliance with the terms of loan contracts.

Bank loans are an important source of liquidity for the consolidated company. For the unused financing facilities of the consolidated company as of March 31, 2026, December 31, 2025, and March 31, 2025, see (2) below for the description of financing facilities.

(1) Table of liquidity and interest rate risk of non-derivative financial liabilities

The maturity analysis of the remaining contracts of non-derivative financial liabilities is based on the undiscounted cash flow (including principal and estimated interest) of financial liabilities on the earliest possible repayment date of the consolidated company. Therefore, the series of bank loans that the consolidated company may be required to repay immediately shall not take into account the probability of the bank executing the right immediately in the earliest period in the table below; the maturity analysis of other non-derivative financial liabilities shall be prepared according to the agreed repayment date.

The undiscounted interest amount of interest cash flows paid at floating interest rates is derived from the yield curve on the balance sheet date.

March 31, 2026

	Immediate repayment required or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities					
No-interest bearing liabilities	$ 132,747	$ 197,930	$ 297,976	$ -	$ -
Fixed rate instruments	50	30,092	503,600	-	-
Floating rate instruments	406	813	3,658	19,511	51,217
	$ 133,203	$ 228,835	$ 805,234	$ 19,511	$ 51,217

Further information on the maturity analysis of financial liabilities with floating interest rate instruments is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years
Floating rate instruments	$ 4,877	$ 19,511	$ 24,389	$ 24,389	$ 2,439

December 31, 2025

	Immediate repayment required or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities					
No-interest bearing liabilities	$ 173,719	$ 215,622	$ 94,354	$ -	$ -
Fixed rate instruments	52	99	533,743	-	-
Floating rate instruments	404	809	3,640	19,411	52,167
	$ 174,175	$ 216,530	$ 631,737	$ 19,411	$ 52,167

Further information on the maturity analysis of financial liabilities with floating interest rate instruments is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years
Floating rate instruments	$ 4,853	$ 19,411	$ 24,264	$ 24,364	$ 3,639

March 31, 2025

	Immediate repayment required or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities					
No-interest bearing liabilities	$ 207,411	$ 235,655	$ 321,974	$ -	$ -
Fixed rate instruments	191	90,364	32,128	503,600	-
Floating rate instruments	406	813	3,657	19,503	56,070
Lease liabilities	45	91	45	-	-
	$ 208,053	$ 326,923	$ 357,804	$ 523,103	$ 56,070

Further information on the maturity analysis of financial liabilities with floating interest rate instruments is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years
Floating rate instruments	$ 4,876	$ 19,503	$ 24,378	$ 24,378	$ 7,314

The amount of floating rate instruments of the non-derivative financial liabilities above will change due to the difference between the floating rate and the estimated interest rate on the balance sheet date.

(2) Credit facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loan limit			
- Amount used	$ 30,000	$ 30,000	$ 60,000
- Amount unused	1,177,880	1,194,320	1,206,920
	$ 1,207,880	$ 1,224,320	$ 1,266,920
Secured bank loan limit			
- Amount used	$ 64,725	$ 65,615	$ 130,259
- Amount unused	188,075	157,185	139,741
	$ 252,800	$ 222,800	$ 270,000

XXIX. Related party transactions

Transactions, account balances, gains and expenses between the Company and its subsidiaries (which are related parties of the Company) are eliminated in full at the time of consolidation, so they are not disclosed in this note. In addition to those disclosed in other notes, the transactions between the consolidated company and other related parties are as follows.

(I) Name and relationship of related parties

Name of related party	Relationship with the consolidated company
GEMTEK Technology Co., Ltd.	Investor with significant influence
Gemtek Electronics (Kunshan) Co., Ltd.	Subsidiary of investor with significant influence
Browan Communications Incorporation	Subsidiary of investor with significant influence

(II) Operating revenue

Type of related party	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Investor with significant influence	$ 990	$ 677

There is no significant difference between the sales terms of the consolidated company for the related parties above and those for regular customers.

(III) Purchase (including processing fee)

Type/name of related party	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Investor with significant influence		
GEMTEK Technology Co., Ltd.	$ 27,555	$ 26,451
Subsidiary of investor with significant influence		
Gemtek Electronics (Kunshan) Co., Ltd.	-	1,362
	$ 27,555	$ 27,813

For the purchase cost of the related parties above, or the repurchase cost of such related parties with entrusted processing, there is no significant difference between the consolidated company's trading terms and those for general suppliers.

(IV) Receivables from related parties (excluding loans to related parties)

Accounting item	Type/name of related party	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	Investor with significant influence	$ 1,228	$ 309	$ 529

Outstanding receivables from related parties without collateral.

(V) Payables to related parties

Accounting item	Type/name of related party	March 31, 2026	December 31, 2025	March 31, 2025
Accounts payable - related parties	Investor with significant influence			
	GEMTEK Technology Co., Ltd.	$ 46,915	$ 64,972	$ 29,669
	Subsidiary of investor with significant influence			
	Gemtek Electronics (Kunshan) Co., Ltd.	-	-	6,889
		$ 46,915	$ 64,972	$ 36,558

Outstanding payables to related parties without collateral.

(VI) Other related party transactions

Creditor's rights and debts at the end of the period

The balance of other receivables from and payables to related parties (included in other payables) on the balance sheet date is as follows:

Type/name of related party	March 31, 2026	December 31, 2025	March 31, 2025
Other receivables			
Investor with significant influence			
GEMTEK Technology Co., Ltd.	$ 3,697	$ 888	$ 112
Other payables			
Investor with significant influence			
GEMTEK Technology Co., Ltd.	$ 50,001	$ 413	$ 70,002

(continued on the next page)

(continued from the previous page)

Type/name of related party	March 31, 2026	December 31, 2025	March 31, 2025
Temporary credits			
Investor with significant influence			
GEMTEK Technology Co., Ltd.	$ 15,834	$ 21,634	$ 9,150
Subsidiary of investor with significant influence			
Gemtek Electronics (Kunshan) Co., Ltd.	-	-	6,288
	$ 15,834	$ 21,634	$ 15,438

Other receivables of the consolidated company from the related parties above were dividends receivable and payments receivable for purchases made on their behalf. Other payables are dividends payable and advances on behalf of others. The temporary credits are generated from the outsourced processing transactions of the consolidated company which will be written off against the processing accounts payable when the processing is completed.

(VII) Remuneration of key management

	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Short-term employee benefits	$ 7,716	$ 7,593
Post-employment benefits	134	134
	$ 7,850	$ 7,727

The remuneration of directors and other key management is determined by the Remuneration Committee according to individual performance and market trends.

XXX. Assets pledged

The following assets of the consolidated company have been provided as tariff guarantee for imported raw materials and security deposit for financing lines:

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets measured at amortized cost - non-current	$ 85,578	$ 68,437	$ 121,760
Property, plant and equipment	145,047	145,506	147,473
	$ 230,625	$ 213,943	$ 269,233

XXXI. Significant contingent liabilities and unrecognized contractual commitments

Other than those stated in other notes, the major commitments and contingencies of the consolidated company on the balance sheet date are as follows: The amount of guaranteed notes issued for the applying the financing lines is NTD 1,186,264 thousand.

XXXII. Major post-period events: None.

XXXIII. Information on foreign currency financial assets and liabilities with significant impact

The following information is a summary of foreign currencies other than the individual functional currencies of the consolidated company. The disclosed exchange rate refers to the exchange rate of such foreign currencies against functional currencies. Information on foreign currency financial assets and liabilities with significant impact:

March 31, 2026

	Foreign currency	Exchange rate	Book value
Foreign currency assets			
Monetary items			
USD	$ 28,242	31.995 (USD:NTD)	$ 903,613
Non-monetary items			
Financial assets measured at fair value through other comprehensive income			
USD	52	31.995 (USD:NTD)	$ 1,653
Foreign currency liabilities			
Monetary items			
USD	11,081	31.995 (USD:NTD)	$ 354,543

December 31, 2025

	Foreign currency	Exchange rate	Book value
Foreign currency assets			
Monetary items			
USD	$ 31,854	31.43 (USD:NTD)	$ 1,001,163
Non-monetary items			
Financial assets measured at fair value through other comprehensive income			
USD	52	31.43 (USD:NTD)	$ 1,624
Foreign currency liabilities			
Monetary items			
USD	14,521	31.43 (USD:NTD)	$ 456,397

March 31, 2025

	Foreign currency	Exchange rate	Book value
Foreign currency assets			
Monetary items			
USD	$ 36,607	33.205 (USD:NTD)	$ 1,215,537
Non-monetary items			
Financial assets measured at fair value through other comprehensive income			
USD	537	33.205 (USD:NTD)	$ 17,820
Foreign currency liabilities			
Monetary items			
USD	12,970	33.205 (USD:NTD)	$ 430,684

Foreign currency exchange gains and losses with significant impact (realized and unrealized):

	For the three months ended March 31, 2026		For the three months ended March 31, 2025	
Functional currency	Exchange rate	Net exchange gain	Exchange rate	Net exchange gain
NTD	1 (NTD:NTD)	$ 11,775	1 (NTD:NTD)	$ 14,446

XXXIV. Disclosures in notes

(I) Information on major transactions:

1. Loans to others. (None)
2. Endorsements/guarantees. (None)
3. Significant securities held at the end of the period. (Table 1)
4. Amount of purchases or sales with related parties reaching NTD 100 million or 20% of the paid-in capital. (None)
5. Amount of accounts receivable from related parties reaching NTD 100 million or 20% of the paid-in capital. (None)
6. Others: Significant business relationships between parent companies and subsidiaries and among subsidiaries, and important transactions and amounts. (Table 2)

(II) Information on investee enterprises (Table 3)

(III) Information on mainland investment:

1. Name of the investee company in mainland China, main business items, paid-in capital, investment method, capital emitted in and out, shareholding ratio,

investment profit and loss, period-end investment book value, repatriated investment profit or loss and investment limit in mainland China. (None)

2. Major transactions with the mainland China investee company directly or indirectly through a third region, and the prices, payment terms, and unrealized profits and losses: (None)

   (1) Purchase amount and percentage, and period-end balance and percentage of related payables.

   (2) Amount and percentage of goods sold, and period-end balance and percentage of related receivables.

   (3) The amount of asset transaction and the profit or loss arising therefrom.

   (4) The period-end balance and the purpose of bill endorsement/guarantee or provision of collateral.

   (5) The maximum balance of financing, the period-end balance, the interest rate range and the total interest of the current period.

   (6) Other transactions that have a significant impact on the current income or financial position.

XXXV. Department Information

The information provided by the consolidated company to key operational decision-makers for allocating resources and evaluating department performance focuses on the product classification provided. The department of the consolidated company to be reported is the Wireless Communication Product Department.

(I) Department revenue and operating results

The revenue and operating results of the department of the consolidated company to be reported are analyzed as follows:

	Department revenue		Department profit/loss	
	For the three months ended March 31, 2026	For the three months ended March 31, 2025	For the three months ended March 31, 2026	For the three months ended March 31, 2025
Wireless Communication Product Department	$ 504,185	$ 600,929	$ 86,157	$ 86,465
Headquarters management cost			(25,978)	(24,584)
Interest income			4,759	11,687
Other income			174	411
Other gains and losses			14,135	12,533
Financial cost			(3,275)	(3,665)
Net profit before tax			$ 75,972	$ 82,847

The revenue of the departments reported above is generated from transactions with external customers. There were no inter-department sales for the three months ended March 31, 2026 and 2025.

Departmental income refers to the profits earned by each department, excluding the headquarter management costs, interest income, other income, other benefits and losses, financial costs and income tax expenses that should be apportioned. The measured amount is provided to the key operation decision-makers to allocate resources to departments and evaluate their performance.

(II) Total departmental assets and liabilities

The measured amount of assets and liabilities of the consolidated company has not been provided to the key operational decision-makers, so the measured amount of assets and liabilities of the department is zero.

AMPAK Technology Inc. and Subsidiaries

Significant securities held at the end of the period

March 31, 2026

Table 1

Unit: NTD thousand unless otherwise specified

Holding company	Securities type and name	Relationship with the securities issuer	Accounting item	End of period				Remark
				Number of shares (thousand shares) or number of units (thousand units)	Book value	Shareholding percentage %	Fair value	
AMPAK Technology Inc.	Stocks							
	Taishin Financial Holding Co., Ltd. Class I Preferred Shares	None	Financial assets at fair value through profit or loss - non-current	18,149	$ 169,875	-	$ 169,875	—
	GEMTEK Technology Co., Ltd.	Affiliates	Financial assets measured at fair value through other comprehensive income - non-current	6,000	216,300	1.40	216,300	—
	New Garden Co., Ltd.	None	〃	3,333	1,653	6.67	1,653	Note 2
	Hoyao Technology, Inc.	The Company is its corporate director.	〃	200	-	19.05	-	—

Note 1: For information about investment in subsidiaries and associated enterprises, please refer to Table 3.

Note 2: It is converted at the exchange rate of USD:NTD = 1:31.995 on the financial report date.

AMPAK Technology Inc. and Subsidiaries

Business relationships between parent company and subsidiaries and among subsidiaries, and important transactions and amounts

For the three months ended March 31, 2026

Table 2

Unit: NTD thousand unless otherwise specified

Serial No.	Name of transaction party	Transaction counterparty	Relationship with transaction party	Intercompany transactions			
				Account name	Amount	Trading terms	As a percentage of consolidated total operating revenue or total assets
	For the three months ended March 31, 2026						
0	AMPAK Technology Inc.	SparkLAN Communications, Inc.	Parent to subsidiary	Sales revenue	$ 18,050	Note 1	3.58%
				Accounts receivable	14,217	Note 1	0.43%

Note 1: There is no significant difference between the sales terms of the consolidated company for the related parties above and those for regular customers.

Note 2: All transactions listed in the above schedule were written off in full when preparing the consolidated financial statements.

AMPAK Technology Inc. and Subsidiaries

Information on the investee company, location, etc.

For the three months ended March 31, 2026

Table 3

Unit: NTD thousand unless otherwise specified

Name of investing company	Name of investee	Location	Major business items	Original investment amount		Holding at the end of the period			Current profit or loss of investee companies	Investment profit or loss recognized in the current period	Remark
				End of the period	End of last year	Number of shares (thousand)	Ratio	Book value			
AMPAK Technology Inc.	SparkLAN Communications, Inc.	Taipei City	Communications business	$ 358,570	$ 358,570	10,203	92.44	$ 262,754	$ 10,961	$ 9,441	Note

Note: Investment transactions between reinvestment companies have been written off in full at the time of preparation of the consolidated statements.