Stock code: 1598

DYACO INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2026 and 2025

Address: 12th Floor, No. 111, Songjiang Road, Zhongshan District, Taipei City, Taiwan

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

Table of Contents

Independent Auditors' Review Report

To the Board of Directors of Dyaco International Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Dyaco International Inc. and its subsidiaries as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

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," as endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China. Our responsibility is to express a conclusion on these 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 No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information 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 conducted in accordance with generally accepted auditing standards. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements have not been prepared, in all material respects, 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, so as to present fairly the consolidated financial position of Dyaco International Inc. and its subsidiaries as of March 31, 2026 and 2025, and their consolidated financial performance and consolidated cash flows for the three months ended March 31, 2026 and 2025.

The engagement partners on the reviews resulting in this independent auditors' review report are Chen, Chung-Che and Tsou, Yi-Yun.

KPMG
Taipei, Taiwan (Republic of China)
May 13, 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 applied in reviews of 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.

Dyaco International Inc. and subsidiaries

Consolidated Balance Sheets

As of March 31, 2026, December 31, 2025, and March 31, 2025

(Expressed in Thousands of New Taiwan Dollars)

	ASSETS	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	CURRENT ASSETS:						
1100	Cash and cash equivalents (Note VI(I))	$ 828,820	8	610,052	6	1,023,495	10
1110	Financial assets at fair value through profit or loss (Note VI(II))	60,326	1	62,156	1	57,450	1
1136	Financial assets at amortized cost (Note VI(IV))	-	-	-	-	23,244	-
1150	Notes receivable (Note VI(V) and (XXIV))	993	-	3,359	-	2,238	-
1170	Accounts receivable (Note VI(V), (XXIV) and VIII)	903,066	9	1,105,960	11	1,024,305	10
1200	Other receivables (Note VI(VI))	14,194	-	16,192	-	16,294	-
1220	Current tax assets	43,458	-	60,201	1	38,779	-
130X	Inventories (Note VI(VII) and VIII)	2,004,657	20	2,090,987	20	2,172,687	20
1410	Prepayments	233,254	2	175,783	2	233,228	2
1470	Other current assets (Note VIII)	23,555	-	18,510	-	29,413	-
		4,112,323	40	4,143,200	41	4,621,133	43
	NON-CURRENT ASSETS:						
1510	Financial assets at fair value through profit or loss (Note VI(II))	31,400	-	31,400	-	-	-
1517	Financial assets at fair value through other comprehensive income (Note VI(III))	123,194	1	123,268	1	37,175	-
1535	Financial assets at amortized cost (Note VI(IV) and VIII)	31,995	-	31,430	-	33,205	-
1550	Investments accounted for using equity method (Note VI(VIII))	5,978	-	5,959	-	6,141	-
1600	Property, plant and equipment (Notes VI(X), VIII and IX)	4,060,836	40	4,065,309	40	4,009,023	37
1755	Right-of-use assets (Notes VI(XI) and VIII)	316,652	4	317,102	3	317,491	3
1760	Investment properties (Notes VI(XII) and VIII)	17,164	-	16,544	-	21,409	-
1821	Intangible assets (Note VI(XIII))	913,320	9	917,492	9	1,321,896	12
1840	Deferred income tax assets	497,012	5	504,331	5	424,420	5
1915	Prepayments for equipment	1,257	-	-	-	-	-
1920	Refundable deposits	54,176	1	55,781	1	47,253	-
1990	Other non-current assets	11,731	-	15,189	-	4,492	-
		6,064,715	60	6,083,805	59	6,222,505	57
	TOTAL	$ 10,177,038	100	10,227,005	100	10,843,638	100

	LIABILITIES AND EQUITY	March 31, 2026 Amount	%	December 31, 2025 Amount	%	March 31, 2025 Amount	%
	CURRENT LIABILITIES:						
2100	Short-term borrowings (Notes VI(XIV) and VIII)	$ 2,257,573	22	2,198,741	22	1,364,450	13
2120	Financial liabilities at fair value through profit or loss (Note VI(II) and (XVI))	5,170	-	4,100	-	6,689	-
2130	Contract liabilities (Note VI(XXIV))	49,905	1	76,943	1	50,897	-
2150	Notes payable	18,299	-	26,084	-	25,785	-
2170	Accounts payable	644,472	6	711,435	7	924,786	10
2200	Other payables	199,785	2	279,656	3	440,091	4
2230	Current income tax liabilities	17,839	-	7,842	-	53,274	-
2250	Provisions	9,826	-	7,244	-	12,113	-
2280	Lease liabilities (Note VI(XVII))	19,934	-	21,479	-	18,347	-
2321	Current portion of bonds payable due within one year or subject to put option (Note VI(XVI))	188,321	2	-	-	-	-
2322	Current portion of long-term borrowings (Notes VI(XV) and VIII)	277,226	3	295,608	3	273,546	3
2399	Other current liabilities	40,912	-	33,384	-	42,663	-
		3,729,262	36	3,662,516	36	3,212,641	30
	NON-CURRENT LIABILITIES:						
2530	Bonds payable (Note VI(XVI))	-	-	186,854	2	182,517	2
2540	Long-term borrowings (Notes VI(XV) and VIII)	1,564,802	16	1,578,441	15	1,751,706	16
2570	Deferred tax liabilities	285,765	3	275,407	3	311,909	3
2580	Lease liabilities (Note VI(XVII))	40,640	-	44,585	-	36,466	-
2610	Long-term notes and accounts payable	-	-	-	-	31,399	-
2640	Net defined benefit liabilities (Note VI(XIX))	8,583	-	8,583	-	10,521	-
2645	Guarantee deposits received	3,780	-	2,938	-	2,074	-
		1,903,570	19	2,096,808	20	2,326,592	21
	Total liabilities	5,632,832	55	5,759,324	56	5,539,233	51
	EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note VI(XXI)):						
3110	Ordinary shares	1,791,420	18	1,791,420	18	1,671,420	16
3140	Advance receipts for share capital	-	-	-	-	120,000	1
3200	Capital surplus	2,877,117	28	2,877,117	28	2,878,782	27
3300	Retained earnings	24,161	-	(17,479)	-	463,497	4
3400	Other equity interests	(44,998)	-	(78,943)	(1)	14,705	-
3500	Treasury shares	(443,567)	(4)	(440,250)	(4)	(253,500)	(3)
	Total equity attributable to owners of parent	4,204,133	42	4,131,865	41	4,894,904	45
36XX	Non-controlling interests (Note VI(IX))	340,073	3	335,816	3	409,501	4
	Total equity	4,544,206	45	4,467,681	44	5,304,405	49
	TOTAL	$ 10,177,038	100	10,227,005	100	10,843,638	100

See accompanying notes to consolidated financial statements

Dyaco International Inc. and subsidiaries
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars)

Code	Item	2026 Amount	2026 %	2025 Amount	2025 %
4000	**NET SALES REVENUE (Notes VI(XXIV))**	$ 1,638,270	100	1,864,178	100
5000	**OPERATING COST (Notes VI(VII) and (XIX))**	948,192	58	1,197,141	64
5950	**GROSS PROFIT**	690,078	42	667,037	36
	OPERATING EXPENSES (Notes VI(V), (XIX), (XXV), (XXVII) and VII):				
6100	Selling expenses	364,647	22	469,928	25
6200	General and administrative expenses	233,850	14	274,823	15
6300	Research and development expenses	37,731	3	35,145	2
6450	Expected credit (gain) loss	(3,510)	-	330	-
	Total operating expenses	632,718	39	780,226	42
	NET OPERATING INCOME (LOSS)	57,360	3	(113,189)	(6)
	NON-OPERATING INCOME AND EXPENSES (Notes VI(VIII), (XVI), (XVII) and (XXVI)):				
7100	Interest income	1,428	-	2,451	-
7010	Other income	8,591	1	9,262	-
7020	Other gain and loss	21,572	1	23,502	1
7050	Finance costs	(24,795)	(2)	(24,395)	(1)
7370	Share of profit (loss) of associates and joint ventures accounted for using equity method (Notes VI(VIII))	(52)	-	(50)	-
		6,744	-	10,770	-
	INCOME (LOSS) BEFORE INCOME TAX	64,104	3	(102,419)	(6)
7950	**Less: INCOME TAX EXPENSE (BENEFIT) (Note VI(XX))**	29,471	1	(22,626)	(1)
	NET INCOME (LOSS)	34,633	2	(79,793)	(5)
8300	**OTHER COMPREHENSIVE INCOME (LOSS):**				
8310	**Items that will not be reclassified subsequently to profit or loss:**				
8316	Unrealized valuation gain (loss) on investments in equity instruments at fair value through other comprehensive income	(74)	-	338	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total Items that will not be reclassified subsequently to profit or loss	(74)	-	338	-
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences on translating foreign operations	45,283	3	49,479	3
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	45,283	3	49,479	3
8300	**OTHER COMPREHENSIVE INCOME (LOSS) (NET OF TAX)**	45,209	3	49,817	3
	TOTAL COMPREHENSIVE INCOME (LOSS)	$ 79,842	5	(29,976)	(2)
	NET INCOME (LOSS) ATTRIBUTABLE TO:				
8610	Owners of the Corporation	$ 41,640	2	(77,665)	(5)
8620	Non-controlling interests	(7,007)	-	(2,128)	-
		$ 34,633	2	(79,793)	(5)
	TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
8710	Owners of the Corporation	$ 75,585	5	(36,857)	(2)
8720	Non-controlling interests	4,257	-	6,881	-
		$ 79,842	5	(29,976)	(2)
	EARNINGS (LOSS) PER SHARE (Note VI(XXIII))				
9750	**Basic Earnings (Loss) Per Share (New Taiwan Dollar)**	$ 0.25		(0.49)	
9850	**Diluted Earnings Per Share (New Taiwan Dollar)**	$ 0.25			

See accompanying notes to consolidated financial statements

Dyaco International Inc. and subsidiaries

Consolidated Statements of Changes in Equity

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation														
	Share Capital				Retained Earnings				Other Equity Interests						
	Ordinary share	Advance Receipts for Share Capital	Total	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total retained earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Treasury Shares	Total other equity interests	Non-controlling Interests	Total equity
BALANCE AT JANUARY 1, 2025	$ 1,671,420	-	1,671,420	2,684,014	329,002	125,685	173,633	628,320	10,091	(36,194)	(26,103)	(408,690)	4,548,961	402,620	4,951,581
Net income (loss)	-	-	-	-	-	-	(77,665)	(77,665)	-	-	-	-	(77,665)	(2,128)	(79,793)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	40,470	338	40,808	-	40,808	9,009	49,817
Total comprehensive income (loss)	-	-	-	-	-	-	(77,665)	(77,665)	40,470	338	40,808	-	(36,857)	6,881	(29,976)
Appropriation and distribution of earnings															
Cash dividends	-	-	-	-	-	-	(87,158)	(87,158)	-	-	-	-	(87,158)	-	(87,158)
Issuance of new ordinary shares for cash	-	120,000	120,000	204,000	-	-	-	-	-	-	-	-	324,000	-	324,000
Share-based payment transactions	-	-	-	38,386	-	-	-	-	-	-	-	-	38,386	-	38,386
Treasury shares transferred to employees	-	-	-	(58,621)	-	-	-	-	-	-	-	155,190	96,569	-	96,569
From recognition of subscription rights arising from equity component of convertible bonds issued	-	-	-	11,003	-	-	-	-	-	-	-	-	11,003	-	11,003
BALANCE AT MARCH 31, 2025	**$ 1,671,420**	**120,000**	**1,791,420**	**2,878,782**	**329,002**	**125,685**	**8,810**	**463,497**	**50,561**	**(35,856)**	**14,705**	**(253,500)**	**4,894,904**	**409,501**	**5,304,405**
BALANCE AT JANUARY 1, 2026	$ 1,791,420	-	1,791,420	2,877,117	336,270	26,103	(379,852)	(17,479)	(31,302)	(47,641)	(78,943)	(440,250)	4,131,865	335,816	4,467,681
Net income (loss)	-	-	-	-	-	-	41,640	41,640	-	-	-	-	41,640	(7,007)	34,633
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	34,019	(74)	33,945	-	33,945	11,264	45,209
Total comprehensive income (loss)	-	-	-	-	-	-	41,640	41,640	34,019	(74)	33,945	-	75,585	4,257	79,842
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	(3,317)	(3,317)	-	(3,317)
BALANCE AT MARCH 31, 2026	**$ 1,791,420**	**-**	**1,791,420**	**2,877,117**	**336,270**	**26,103**	**(338,212)**	**24,161**	**2,717**	**(47,715)**	**(44,998)**	**(443,567)**	**4,204,133**	**340,073**	**4,544,206**

See accompanying notes to consolidated financial statements

Dyaco International Inc. and subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (Loss) before income tax	$ 64,104	(102,419)
Adjustments:		
Adjustments to reconcile income (loss)：		
Depreciation expense	41,196	44,343
Amortization expense	18,510	20,564
Expected credit loss (gain) recognized	3,510	(330)
Net losses on financial assets and liabilities at fair value through profit or loss	4,900	4,491
Interest expense	24,795	24,395
Interest income	(1,428)	(2,451)
Share-based payments	-	38,386
Share of loss of associates and joint venture accounted for using the equity method	52	50
Loss (gain) on disposal of property, plant and equipment	332	(94)
Unrealized loss (gain) on foreign currency exchange	9,998	(34,244)
Transfer of prepayment for equipment to expense	-	1,218
Total adjustments to reconcile income (loss)	101,865	96,328
Changes in operating assets and liabilities:		
Changes in operating assets, net:		
Decrease (increase) in notes receivable	2,366	(339)
Decrease in accounts receivable	209,422	197,561
Decrease in other receivables	1,954	1,746
Decrease in inventories	106,481	114,861
Decrease (increase) in prepayments	(57,471)	4,874
Increase (decrease) in other current assets	(5,045)	15,236
Total changes in operating assets, net	257,707	333,939
Changes in operating liabilities, net:		
Decrease in contract liabilities	(27,038)	(23,027)
Decrease in notes payable	(7,785)	(5,520)
Decrease in accounts payable	(78,974)	(182,440)
Decrease in other payables	(80,841)	(44,532)
Increase (decrease) in provisions	2,482	(1,342)
Increase (decrease) in other current liabilities	7,528	17,054
Total changes in operating liabilities, net	(184,628)	(239,807)
Total change in operating assets and liabilities	73,079	94,132
Total adjustments	174,944	190,460
Cash inflow generated from operations	239,048	88,041
Interest received	1,428	2,451
Interest paid	(24,795)	(24,430)
Income tax paid (refunded)	(2,731)	2,143
Net cash generated from operating activities	212,950	68,205

(Continued)

Dyaco International Inc. and subsidiaries

Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2026 and 2025

(Expressed in Thousands of New Taiwan Dollars)

	2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	-	(16,603)
Proceeds from disposal of financial assets at amortized cost	-	7,975
Acquisition of financial assets at fair value through profit or loss	(2,000)	(18,000)
Proceeds from disposal of financial assets at fair value through profit or loss	-	3,500
Acquisition of property, plant and equipment	(13,966)	(94,546)
Proceeds from disposal of property, plant and equipment	170	234
Decrease (increase) in refundable deposits	2,333	(19,575)
Acquisition of intangible assets	-	(16,764)
Increase in prepayments for equipment	(1,257)	-
Decrease in other non-current assets	3,458	281
Net cash used in investing activities	(11,262)	(153,498)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	2,151,542	945,000
Decrease in short-term borrowings	(2,095,393)	(1,535,790)
Issuance of corporate convertible bonds	-	195,441
Proceeds from long-term borrowings	37,514	16,250
Repayments of long-term borrowings	(72,120)	(95,087)
Increase in guarantee deposits received	616	87
Payments of lease liabilities	(6,282)	(4,579)
Issuance of new ordinary shares for cash	-	324,000
Payments to acquire treasury shares	(3,317)	-
Proceeds from treasury shares transferred to employees	-	96,569
Net cash generated from (used in) financing activities	12,560	(58,109)
Effects of exchange rate changes on the balance of cash held in foreign currencies	4,520	7,653
Increase (decrease) in cash and cash equivalents	218,768	(135,749)
Cash and cash equivalents at beginning of period	610,052	1,159,244
Cash and cash equivalents at end of period	$ 828,820	1,023,495

(Concluded)

See accompanying notes to consolidated financial statements

Dyaco International Inc. and subsidiaries
Notes to Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

I. Company History

Dyaco International Inc. (hereinafter referred to as the "Corporation") was established on June 2, 1990 under the approval of the Ministry of Economic Affairs, R.O.C., with the registered address at 12th Floor, No. 111, Songjiang Road, Zhongshan District, Taipei City. The Corporation and its subsidiaries (hereinafter collectively referred to as the "Group") manufacture, import, export and sell sports equipment and outdoor furniture.

The Corporation's shares have been listed on the Taiwan Stock Exchange since September 20, 2016.

II. Approval Date and Procedures of the Consolidated Financial Statements

The consolidated financial statements were approved by the Corporation's board of directors on May 13, 2026.

III. New Standards, Amendments and Interpretations

(I) The Impact of IFRS Accounting Standards Endorsed by the FSC and Already Adopted

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 Insurance Contracts and its amendments
- Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Standards
- Amendments to IFRS 9 and IFRS 7 – Contracts Involving Renewable Energy

(II) The Impact of IFRS Accounting Standards Issued by the IASB but Not Yet Endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective Date per IASB
IFRS 18 "Presentation and Disclosures in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 Note: The FSC issued a press release on September 25, 2025, announcing that Taiwan will adopt International Financial Reporting Standard 18 starting from the fiscal year 2028. If early adoption is desired, the Group may elect to early adopt the Standard after endorsement by the FSC.

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" and Amendments to IFRS 19.
- Amendments to IAS 21 – 'Translation to a Hyperinflationary Presentation Currency'

IV. Summary of Material Accounting Policies

(I) Statement of Compliance

This consolidated financial report is prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (the "Regulations") and International Accounting Standard (IAS) 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission (FSC). This consolidated financial report does not include all of the disclosures required for a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), Interpretations, and related Interpretations as endorsed by the FSC (collectively referred to as "IFRSs endorsed by the FSC").

Except for the following, the significant accounting policies applied in this consolidated financial report are consistent with those applied in the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to Note IV of the consolidated financial statements for the year ended December 31, 2025.

(II) Basis of consolidation

1. List of subsidiaries in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership March 31, 2026	December 31, 2025	March 31, 2025	Remark
The Corporation	Dyaco International Holding Limited	Investment	100.00%	100.00%	100.00%	
The Corporation	Dyaco Europe GmbH	Import, export and selling	100.00%	100.00%	100.00%	
The Corporation	Daan Health Management Consulting Co., Ltd	Rental of medical equipment	100.00%	100.00%	100.00%	
The Corporation	Dyaco Japan Co., Ltd.	Import, export and selling	100.00%	100.00%	100.00%	
The Corporation	Wing Long Co., Ltd.	Import, export and selling	100.00%	100.00%	100.00%	
The Corporation	Dyaco UK Ltd.	Import, export and selling	99.66%	99.66%	99.11%	Note 1
The Corporation	Sole Inc.	Investment	100.00%	100.00%	100.00%	
The Corporation	President Plastic Products MFG. Co., Ltd.	Property leasing	100.00%	100.00%	100.00%	
The Corporation	Cikada Technology Inc. (formerly Cikayda Inc.)	Manufacturing and selling	100.00%	100.00%	100.00%	Note 2
The Corporation	CITY SPORTS (THAILAND) CO., LTD	Fitness equipment retailing	44.00%	44.00%	44.00%	Note 3
The Corporation	Spirit Manufacturing Inc.	Import, export and selling	100.00%	100.00%	100.00%	
The Corporation	Dyaco Canada Inc.	Import, export and selling	100.00%	100.00%	100.00%	

Investor	Investee	Nature of Activities	Proportion of Ownership March 31, 2026	Proportion of Ownership December 31, 2025	Proportion of Ownership March 31, 2025	Remark
The Corporation	IUVO Industry Co., Ltd.	Electric-assisted bicycle manufacturer	91.50%	91.50%	91.50%	
The Corporation	DYACO (THAILAND) Co., Ltd.	Manufacturing and selling	100.00%	100.00%	100.00%	Note 4
Dyaco International Holding Limited	Fuel Spirit International Inc.	Import, export and selling	100.00%	100.00%	100.00%	
Dyaco International Holding Limited	Shelton Corporation (Jiaxing), Ltd.	Manufacturing and selling	60.00%	60.00%	60.00%	
DYACO INTERNATIONAL HOLDING LIMITED	Dyaco (SHANGHAI) Trading Co., Ltd.	Import, export and selling	100.00%	100.00%	100.00%	
Dyaco Europe GmbH	CARDIOfitness GmbH & Co. KG	Import, export and selling	100.00%	100.00%	100.00%	
Dyaco Europe GmbH	Cardiofitness Verwaltungs GmbH	Investment	100.00%	100.00%	100.00%	
Dyaco UK Ltd.	Neutron Ventures Ltd	Investment	100.00%	100.00%	100.00%	
Neutron Ventures Ltd	Interactive Online Commerce Ltd	Investment	100.00%	100.00%	100.00%	
Neutron Ventures Ltd	Sweatband EU Limited Liability Company	Service industry	100.00%	100.00%	100.00%	
Interactive Online Commerce Ltd	Sweatband.com Ltd	Sporting goods selling	100.00%	100.00%	100.00%	
Sole Inc	FITNESS EQUIPMENT SERVICES, LLC	Import, export and selling	100.00%	100.00%	100.00%	
Spirit Manufacturing Inc.	Spirit Direct, LLC.	Import, export and selling	100.00%	100.00%	100.00%	

Note 1: To improve the financial structure and enrich working capital, in May 2025, the Group injected capital into DYACO UK LIMITED through a cash contribution of GBP 400 thousand and a debt-to-equity conversion of GBP 2,600 thousand, increasing its shareholding from 99.11% to 99.66%. Subsequently, DYACO UK LIMITED increased the capital of its subsidiary, SWEATBAND.COM LIMITED.

Note 2: To integrate the Group's electric bike business, the subsidiary Cikayda Inc. was renamed Cikada Technology Inc., and the registration of the change was completed on July 3, 2025.

Note 3: As the Group holds two-thirds of the board seats in CITY SPORTS (THAILAND) CO., LTD., it has control over the relevant activities of the investee. Therefore, CITY SPORTS (THAILAND) CO., LTD. is accounted for as a subsidiary of the Group.

Note 4: For business development purposes, the Board of Directors resolved on November 12, 2024 to establish a wholly-owned subsidiary in Thailand, DYACO (THAILAND) Co., Ltd. As of March 31, 2026, the total investment amounted to USD 2,500 thousand, with a 100% ownership interest.

2. Subsidiaries excluded from the consolidated financial statements: None.

(III) Income Tax

The Group measured and disclosed its interim income tax expense in accordance with Paragraph B12 of IAS 34 "Interim Financial Reporting."

Income tax expense is calculated by applying the estimated effective tax rate expected for the full fiscal year to the pre-tax income of the interim period, and the resulting amount is fully recognized as the tax expense for the period.

Income tax that is recognized directly in equity or other comprehensive income is measured based on the temporary differences between the carrying amounts and the tax bases of relevant assets and liabilities for financial reporting purposes, using the applicable tax rate expected to be in effect upon realization or settlement.

(IV) Employee Benefits

The defined benefit pension cost for the interim period is calculated by applying the actuarially determined pension cost rate as of the prior annual reporting date to the amounts incurred during the period from the beginning of the year to the end of the interim reporting period. Adjustments are made for significant market fluctuations, material curtailments, settlements, or other one-time events occurring after that reporting date.

V. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Management is required to make judgments and estimates about the future (including climate-related risks and opportunities) when preparing the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard (IAS) 34 "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission (FSC). These judgments and estimates affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those disclosed in Note V to the consolidated financial statements for the year ended December 31, 2025.

VI. Explanation to Significant Accounts

Except for the matters described below, there were no significant differences in the disclosures of critical accounting items in this consolidated financial report compared to those in the consolidated financial statements for the year ended December 31, 2025. For related information, please refer to Note VI of the 2025 annual consolidated financial statements.

(I) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 1,265	1,475	8,954
Checking accounts and demand deposits	812,317	593,519	1,014,541
Time deposits	15,238	15,058	-
	$ 828,820	610,052	1,023,495

Please refer to Note VI(XXVII) for the disclosure of the interest rate risk and sensitivity analysis of the Group's financial assets and liabilities.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets held for trading:			
Non-derivative financial assets - current			
Limited Partnership	$ 52,306	56,045	57,450
Foreign government bonds	8,020	6,111	-
	$ 60,326	62,156	57,450

		March 31, 2026	December 31, 2025	March 31, 2025
Financial assets mandatorily classified as at FVTPL:				
Non-derivative financial assets - non-current				
Convertible promissory notes	$	31,400	31,400	-
Financial Liabilities at FVTPL – Designated:				
Embedded Derivatives – Put Option	$	4,640	4,100	3,920
Financial Liabilities Held for Trading:				
Non-Hedging Derivative Instruments – Current				
Forward Foreign Exchange Contracts		530	-	2,769
	$	5,170	4,100	6,689

1. For the amount recognized at fair value through profit or loss, please refer to Note VI(XXVI).
2. For the market risk information, please refer to Note VI(XXVII).
3. The financial assets above have not been provided as collateral.
4. Derivative financial instruments in liabilities due to foreign exchange forward contracts not under hedge accounting are as follows:

	March 31, 2026		
	Notional Amount	Currency	Maturity Date
Foreign exchange forward contracts	NT$111,029 thousand/US$ 3,500 thousand	NTD/USD	May 8, 2026 to August 15, 2026

	March 31, 2025		
	Notional Amount	Currency	Maturity Date
Foreign exchange forward contracts	NT$244,846 thousand/US$ 7,500 thousand	NTD/USD	April 2, 2025 to August 15, 2025

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

		March 31, 2026	December 31, 2025	March 31, 2025
Equity Instruments at FVTOCI:				
Stocks listed on domestic markets	$	17,512	17,586	9,908
Stocks unlisted on domestic markets		69,866	69,866	25,885
Stocks unlisted on foreign markets		35,816	35,816	1,382
	$	123,194	123,268	37,175

1. The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.
2. There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments For the three months ended March 31, 2026 and 2025.
3. For the market risk information, please refer to Note VI(XXVII).
4. The financial assets above have not been provided as collateral.

(IV) Financial assets at amortized cost

		March 31, 2026	December 31, 2025	March 31, 2025
Current				
Time deposits with a maturity date exceeding 3 months	$	-	-	16,603
Bank debenture		-	-	6,641
	$	**-**	**-**	**23,244**
Non-current				
Bank debenture	**$**	**31,995**	**31,430**	**33,205**

1. The Group evaluates holding such assets until maturity date to collect contractual cash flows, and the cash flows of such financial assets are solely for the payment of principal and interest on the outstanding principal amount, thus classified as financial assets at amortized cost.
2. For the credit risk information, please refer to Note VI(XXVII).
3. None of the aforementioned financial assets measured at amortized cost have been pledged as collateral.

(V) Notes receivable and accounts receivable

		March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$	993	3,359	2,238
Accounts receivable		1,054,104	1,273,879	1,125,285
Less: Allowance for impairment loss		(151,038)	(167,919)	(100,980)
	$	**904,059**	**1,109,319**	**1,026,543**

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The loss allowance provision was determined as follows:

	March 31, 2026		
	Gross Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance Provision**
Not Past Due	$ 597,070	0%~4.48%	1,595
Less than 60 days	144,741	0%~27.78%	3,547
61 to 120 days	20,121	0%~43.75%	2,895
121 to 180 days	21,582	0%~69.77%	4,142
181 to 365 days	244,268	10%~100%	111,884
Over 366 Days and Individually Recognized	27,315	100%	26,975
	$ 1,055,097		**151,038**

	December 31, 2025		
	Gross Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance Provision**
Not Past Due	$ 673,885	0%~4.17%	1,443
Less than 60 days	245,864	0%~32.78%	7,160
61 to 120 days	118,837	0%~43.49%	15,423
121 to 180 days	108,070	0%~63.47%	29,267
181 to 365 days	93,474	0%~100%	77,761
Over 366 Days and Individually Recognized	37,108	100%	36,865
	$ 1,277,238		**167,919**

	March 31, 2025		
	Gross Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance Provision**
Not Past Due	$ 816,411	0%~14.52%	2,743
Less than 60 days	197,774	0%~42.24%	12,194
61 to 120 days	20,848	0%~44.24%	5,057
121 to 180 days	3,857	0%~79.21%	1,677
181 to 365 days	17,702	0%~100%	8,378
Over 366 Days and Individually Recognized	70,931	100%	70,931
	$ 1,127,523		**100,980**

The movement in the allowance for notes and account receivables were as follows:

	For the Three Months Ended March 31		
		2026	2025
Beginning balance	$	167,919	97,758
Impairment loss (gain on reversal) recognized		(3,510)	330
Amounts written off during the year as uncollectible		(16,335)	(497)
Foreign exchange gains and losses		2,964	3,389
Ending balance	$	151,038	100,980

1. For the credit risk information, please refer to Note VI(XXVII).
2. For details of the Group's accounts receivable pledged as collateral for long-term and short-term borrowings and financing facilities as of March 31, 2026, December 31, 2025, and March 31, 2025, please refer to Note VIII.

(VI) Other receivables

		March 31, 2026	December 31, 2025	March 31, 2025
Other receivables	$	53,694	55,692	55,794
Less: loss allowance		(39,500)	(39,500)	(39,500)
	$	14,194	16,192	16,294

For the credit risk information, please refer to Note VI(XXVII).

(VII) Inventories

		March 31, 2026	December 31, 2025	March 31, 2025
Raw materials	$	389,862	360,680	329,032
Work in progress		129,328	137,434	138,677
Finished goods		231,093	290,481	202,571
Merchandise		1,506,036	1,581,150	1,785,385
Less: Allowance for inventory valuation losses		(251,662)	(278,758)	(282,978)
	$	2,004,657	2,090,987	2,172,687

1. The information of the cost of goods sold is as follows:

	For the Three Months Ended March 31		
		2026	2025
Transfer of inventories sold	$	970,815	1,190,807
Inventory valuation loss (reversal of write-down)		(35,099)	(9,886)
Warranties		12,476	16,220
	$	948,192	1,197,141

For the three months ended March 31, 2026 and 2025, the Group recognized gains from reversals of inventory write-downs due to inventory sales and reversals of allowance for inventory valuation losses.

2. For details of the Group's inventories pledged as collateral for long-term and short-term borrowings and financing facilities as of March 31, 2026, December 31, 2025, and March 31, 2025, please refer to Note VIII.

(VIII) Investments accounted for using the equity method

The components of investments accounted for using the equity method at the reporting date were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Associates	$ 5,978	5,959	6,141

1. The financial information of individually non-significant associates using equity method included in the consolidated financial statements were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
The carrying amount of individually non-significant associates' equity			
Hongdaxin Projection Co., Ltd.	$ 3,522	3,530	3,547
Kerr (Shanghai) Rehabilitation Technology Development Co., Ltd.	2,456	2,429	2,594
	$ 5,978	5,959	6,141

	For the Three Months Ended March 31	
	2026	2025
Attributable to owners of the parent:		
Net loss from continuing operations	$ (52)	(50)
Other comprehensive income	-	-
Total comprehensive income	$ (52)	(50)

2. None of the Group's investments accounted for using the equity method as of March 31, 2026, December 31, 2025, and March 31, 2025 were pledged as collateral.

(IX) Subsidiaries that have material non-controlling interests

The non-controlling interests of the subsidiary that is significant to the Group is as follows:

Name of Subsidiary	Principal Place of Business/ Company Registration Country	Proportion of Ownership and Voting Rights Held by Non-controlling Interests: March 31, 2026	December 31, 2025	March 31, 2025
Shelton Corporation (Jiaxing), Ltd.	China	40%	40%	40%

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in the information are the fair value adjustment made during the acquisition and relevant differences in accounting principles between the Group as at the acquisition date. Intergroup transactions were not eliminated in this information:

1. Summarized consolidated financial information of Shelton Corporation (Jiaxing), Ltd:

		March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$	774,017	642,594	997,040
Non-current assets		182,837	180,918	196,782
Current liabilities		(345,120)	(223,201)	(433,594)
Non-current liabilities		(2,939)	(2,001)	(1,113)
Net assets	$	608,795	598,310	759,115
Carrying amount of non-controlling interests at the end of the period	$	350,851	344,070	412,589

		For the Three Months Ended March 31	
		2026	2025
Operating revenue	$	182,884	284,720
Net loss	$	(7,088)	(2,927)
Other comprehensive income		24,040	20,058
Total comprehensive income (loss)	$	16,952	17,131
Net loss attributable to non-controlling interests	$	(2,835)	(1,171)
Comprehensive income (loss) attributable to non-controlling interests	$	6,781	6,852
Cash flows from operating activities	$	(14,900)	(63,006)
Cash flows from investing activities		(2,782)	(884)
Cash flows from financing activities		36,544	(316)
Increase (decrease) in cash and cash equivalents	$	18,862	(64,206)

(X) Property, plant and equipment

The movements in property, plant and equipment were as follows:

	Land	Buildings	Machinery Equipment	Transport Equipment	Office Equipment	Leasehold Improvements	Property under Construction	Total
Cost or recognized cost:								
Balance at January 1, 2026	$ 1,736,202	2,726,059	769,728	49,020	97,845	32,022	373,979	5,784,855
Additions	-	1,182	8,901	-	865	503	2,515	13,966
Reclassification	-	(6,534)	-	-	-	-	-	(6,534)
Disposals	-	-	(754)	-	(2,636)	-	-	(3,390)
Effects of foreign currency exchange differences	(1,483)	35,384	9,462	380	556	(7)	-	44,292
Balance at March 31, 2026	$ 1,734,719	2,756,091	787,337	49,400	96,630	32,518	376,494	5,833,189
Balance at January 1, 2025	$ 1,660,863	2,735,027	739,650	47,694	94,402	31,633	215,843	5,525,112
Additions	-	-	11,657	880	5,233	465	76,311	94,546
Reclassification	(1,950)	239	2,291	-	-	-	-	580
Disposals	-	-	(502)	-	(238)	-	-	(740)
Effects of foreign currency exchange differences	279	27,856	6,893	480	1,613	1,190	-	38,311
Balance at March 31, 2025	$ 1,659,192	2,763,122	759,989	49,054	101,010	33,288	292,154	5,657,809
Depreciation:								
Balance at January 1, 2026	$ -	992,854	587,752	38,951	78,490	21,499	-	1,719,546
Depreciation expenses	-	14,577	14,377	762	1,664	908	-	32,288
Reclassification	-	(5,561)	-	-	-	-	-	(5,561)
Disposal	-	-	(545)	-	(2,343)	-	-	(2,888)
Effects of foreign currency exchange differences	-	23,595	4,612	352	469	(60)	-	28,968
Balance at March 31, 2026	$ -	1,025,465	606,196	40,065	78,280	22,347	-	1,772,353
Balance at January 1, 2025	$ -	922,768	536,547	37,208	74,911	19,398	-	1,590,832
Depreciation expenses	-	18,805	14,589	897	1,772	717	-	36,780
Reclassification	-	(1,401)	2,291	-	-	-	-	890
Disposals	-	-	(500)	-	(100)	-	-	(600)
Effects of foreign currency	-	13,011	5,403	383	1,294	793	-	20,884

	Land	Buildings	Machinery Equipment	Transport Equipment	Office Equipment	Leasehold Improvements	Property under Construction	Total
exchange differences								
Balance at March 31, 2025	$ -	953,183	558,330	38,488	77,877	20,908	-	1,648,786
Carrying amounts:								
January 1, 2026	$ 1,736,202	1,733,205	181,976	10,069	19,355	10,523	373,979	4,065,309
March 31, 2026	$ 1,734,719	1,730,626	181,141	9,335	18,350	10,171	376,494	4,060,836
January 1, 2025	$ 1,660,863	1,812,259	203,103	10,486	19,491	12,235	215,843	3,934,280
March 31, 2025	$ 1,659,192	1,809,939	201,659	10,566	23,133	12,380	292,154	4,009,023

1. For details of the Group's property, plant and equipment pledged as collateral for long-term and short-term borrowings and financing facilities, please refer to Note VIII.
2. The property under construction is primarily related to plant construction. The interest capitalization rates for the three months ended March 31, 2026 and 2025 were 2.50%. The amounts of capitalized interest were $1,335 thousand and $683 thousand for the three months ended March 31, 2026 and 2025, respectively.
3. For the disposal of profits and losses, please refer to Note VI(XXVI).

(XI) Right-of-use assets

The information about leases of land, buildings and transportation equipment for which the Group has been a lessee is presented below:

	Land	Buildings	Transport Equipment	Total
Cost:				
Balance at January 1, 2026	$ 327,047	108,864	11,708	447,619
Effects of foreign currency exchange differences	9,353	922	-	10,275
Balance at March 31, 2026	$ 336,400	109,786	11,708	457,894
Balance at January 1, 2025	$ 325,540	83,845	3,598	412,983
Effects of foreign currency exchange differences	6,915	2,905	-	9,820
Balance at March 31, 2025	$ 332,455	86,750	3,598	422,803
Depreciation expenses:				
Balance at January 1, 2026	$ 73,536	54,241	2,740	130,517
Depreciation expenses	2,648	5,226	783	8,657
Effects of foreign currency exchange differences	1,915	153	-	2,068
Balance at March 31, 2026	$ 78,099	59,620	3,523	141,242
Balance at January 1, 2025	$ 62,722	31,941	800	95,463
Depreciation expenses	2,606	4,226	299	7,131
Effects of foreign currency exchange differences	1,370	1,348	-	2,718
Balance at March 31, 2025	$ 66,698	37,515	1,099	105,312
Carrying amounts:				
January 1, 2026	$ 253,511	54,623	8,968	317,102
March 31, 2026	$ 258,301	50,166	8,185	316,652
January 1, 2025	$ 262,818	51,904	2,798	317,520
March 31, 2025	$ 265,757	49,235	2,499	317,491

For the right-of-use assets pledged as collateral by the Group for financing, please refer to Note VIII.

(XII) Investment Properties

The information about investment properties of the Group is presented as follows:

		Buildings
Cost or recognized cost:		
Balance at January 1, 2026	$	34,884
Reclassification		6,534
Effects of foreign currency exchange differences		547
Balance at March 31, 2026	**$**	**41,965**
Balance at January 1, 2025	$	43,782
Reclassification		1,711
Effects of foreign currency exchange differences		424
Balance at March 31, 2025	**$**	**45,917**
Depreciation expenses and impairment loss:		
Balance at January 1, 2026	$	18,340
Depreciation expenses		251
Reclassification		5,561
Effects of foreign currency exchange differences		649
Balance at March 31, 2026	**$**	**24,801**
Balance at January 1, 2025	$	22,330
Depreciation expenses		432
Reclassification		1,401
Effects of foreign currency exchange differences		345
Balance at March 31, 2025	**$**	**24,508**
Carrying amounts:		
January 1, 2026	**$**	**16,544**
March 31, 2026	**$**	**17,164**
January 1, 2025	**$**	**21,452**
March 31, 2025	**$**	**21,409**

1. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease period. The rental income of the investment properties that have been leased is a fixed amount. Please refer to Note VI(XXVI).
2. As of March 31, 2026, December 31, 2025, and March 31, 2025, the fair value of the investment property located in Zhongshan District, Taipei City was $20,464 thousand, $24,557 thousand and $29,860 thousand, respectively. The fair values were not determined by independent qualified professional valuers but were assessed by the Group's management based on market-based evidence of transaction prices of similar properties. The fair value of another investment property located in Jiaxing City, Zhejiang Province, China could not be measured reliably, as the market for comparable

properties in that location is inactive and alternative reliable fair value measurements are not available. Therefore, the Group determined that the fair value of this investment property is not reliably measurable.

3. As of March 31, 2026, December 31, 2025, and March 31, 2025, for details of investment properties pledged as collateral for long-term borrowings and financing limits, please refer to Note VIII.

(XIII) Intangible assets

The information about intangible assets of the Group's is presented as follows:

	Goodwill	Computer Software	Trademarks	Customer Relationship	Royalty	Brand Value	Website	Copyright	Total
Cost:									
Balance at January 1, 2026	$ 585,759	95,713	62,324	34,880	120,880	772,860	4,036	14,332	1,690,784
Effects of foreign currency exchange differences	7,902	(21)	(12)	509	-	12,802	5	-	21,185
Balance at March 31, 2026	$ 593,661	95,692	62,312	35,389	120,880	785,662	4,041	14,332	1,711,969
Balance at January 1, 2025	$ 597,604	136,678	85,393	109,379	297,002	804,079	1,181	14,332	2,045,648
Acquisitions	-	3,994	-	-	-	155	-	-	4,149
Effects of foreign currency exchange differences	10,283	2,100	2,997	1,470	727	12,138	14	-	29,729
Balance at March 31, 2025	$ 607,887	142,772	88,390	110,849	297,729	816,372	1,195	14,332	2,079,526
Amortization expenses and impairment loss:									
Balance at January 1, 2026	$ 282,998	87,992	60,469	14,497	98,901	212,467	3,702	12,266	773,292
Amortization expenses	-	2,104	224	738	5,496	8,884	31	1,033	18,510
Effects of foreign currency exchange differences	3,273	(28)	(43)	192	-	3,446	7	-	6,847
Balance at March 31, 2026	$ 286,271	90,068	60,650	15,427	104,397	224,797	3,740	13,299	798,649
Balance at January 1, 2025	$ 8,706	105,614	82,528	85,189	253,045	183,145	1,181	8,133	727,541
Amortization expenses	-	4,224	233	738	5,495	8,841	-	1,033	20,564
Effects of foreign currency exchange differences	466	1,126	2,962	1,212	728	3,017	14	-	9,525
Balance at March 31, 2025	$ 9,172	110,964	85,723	87,139	259,268	195,003	1,195	9,166	757,630
Carrying amounts:									
January 1, 2026	$ 302,761	7,721	1,855	20,383	21,979	560,393	334	2,066	917,492
March 31, 2026	$ 307,390	5,624	1,662	19,962	16,483	560,865	301	1,033	913,320
January 1, 2025	$ 588,898	31,064	2,865	24,190	43,957	620,934	-	6,199	1,318,107
March 31, 2025	$ 598,715	31,808	2,667	23,710	38,461	621,369	-	5,166	1,321,896

The Group has obtained various production and sales licenses from several internationally renowned sports brands. The cost of acquiring such licenses is discounted and recognized as intangible assets (license fees) at the commencement of the license period. The corresponding liability is recognized as license payables (classified as current and non-current liabilities), and subsequent interest expense is calculated using the effective interest method.

(XIV) Short-term borrowings

The Group short-term borrowings are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Credit bank borrowings	$ 781,287	740,459	333,293
Secured bank borrowings	1,476,286	1,458,282	1,031,157
Total	**$ 2,257,573**	**2,198,741**	**1,364,450**
Unused credit lines	**$ 2,122,152**	**1,947,095**	**2,769,575**
Range of interest rates (Parent Company)	**1.18%~2.40%**	**1.18%~2.49%**	**2.00%~2.40%**
Range of interest rates (the Group)	**1.18%~3.00%**	**1.18%~6.85%**	**0.50%~3.15%**

1. Issuance and Repayment of Borrowings

   For the three months ended March 31, 2026 and 2025, the Group had additional short-term borrowings in the amounts of $2,151,542 thousand and $945,000 thousand, respectively, and repayments of $2,095,393 thousand and $1,535,790 thousand, respectively.

2. For the Group's assets as collateral for bank borrowings, please refer to Note VIII.

(XV) Long-term borrowings

The details of the Group' s long-term borrowings are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank borrowings	$ 639,230	636,716	683,416
Secured bank borrowings	1,202,798	1,237,333	1,341,836
Less: long-term borrowings, current portion	(277,226)	(295,608)	(273,546)
Total	**$ 1,564,802**	**1,578,441**	**1,751,706**
Unused credit lines	**$ 127,355**	**164,869**	**223,169**
Range of interest rates (Parent Company)	**1.68%~2.73%**	**1.68%~2.73%**	**1.66%~2.73%**
Range of interest rates (the Group)	**1.68%~6.50%**	**1.68%~6.50%**	**1.66%~6.50%**

1. Issuance and Repayment of Borrowings
   For the three months ended March 31, 2026 and 2025, the Group had additions to long-term borrowings in the amounts of NT$37,514 thousand and NT$16,250 thousand, respectively; and repayments in the amounts of NT$72,120 thousand and NT$95,087 thousand, respectively.
   For the Group's assets as collateral for bank borrowings, please refer to Note VIII.

(XVI) Bonds payable

The Group's bonds payable are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured convertible bonds	$ 188,321	186,854	182,517
Less: Current portion	(188,321)	-	-
Total	**$ -**	**186,854**	**182,517**

1. On March 3, 2025, the Corporation issued 0% three-year unsecured convertible bonds in the amounts of $200,000 thousand. Interest is payable annually, and the principal is repaid in full at maturity.
2. The unsecured convertible bonds issued by the Group are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Total amount	$ 200,000	200,000	200,000
Balance of unamortized discount on bonds payable	(11,679)	(13,146)	(17,483)
Balance at the end of period	**$ 188,321**	**186,854**	**182,517**
Put option (presented under financial liabilities at FVTPL)	**$ 4,640**	**4,100**	**3,920**
Equity component – conversion option (presented under capital surplus – convertible bonds)	**$ 11,003**	**11,003**	**11,003**

	For the Three Months Ended March 31	
	2026	2025
Interest expenses	$ 1,468	445

The Corporation issued 0% three-year unsecured convertible bonds in Taiwan in March 2025 with an amount of $200,000 thousand. The main issuance conditions are as follows:

(1)Each bond entitles the holder to convert it into ordinary shares of the Corporation at a conversion price of $33.6. If there are any adjustments to the conversion price of the Corporation's common shares in accordance with the issuance terms, the conversion price will be adjusted accordingly. This bond has no reset clause.

(2)The Corporation is entitled to redeem the bonds by cash at face value from the day following three months after the issuance until 40 days before the maturity date if the closing price of its common shares is 30% higher than the then conversion price for thirty consecutive business days, or if the balance of outstanding bonds is 10% lower than the original issue amount.

(3)The bondholders are entitled to request the Corporation to redeem the bonds at 102.01% of par value upon the second anniversary of the issuance in accordance with the terms of the issuance.

(XVII) Lease liabilities

The carrying amounts of lease liabilities are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Current	$ 19,934	21,479	18,347
Non-current	$ 40,640	44,585	36,466

For the maturity analysis, please refer to Notes VI(XXVII).

The amounts recognized in profit or loss are as follows:

	For the Three Months Ended March 31	
	2026	2025
Interest on lease liabilities	$ 357	332
Expenses relating to short-term and low-value asset leases	$ 11,917	9,045

The amounts recognized in the statements of cash flows are as follows:

	For Three Months Ended March 31	
	2026	2025
Total cash outflow for leases	$ 18,556	13,956

1. Land leases
   The Group leases lands as constructions of plants, with lease term of 50 years.
2. Buildings leases
   The Group leases buildings used as offices, with lease term of 2 to 13 years for retail stores.
3. Other leases
   The lease term of transportation equipment and some machinery equipment is 3 to 4

years. Additionally, the remaining buildings, transportation equipment, and certain office equipment that the Group leases are short-term and low-value leases. These leases apply to requirements of exemption from recognition and their related right-of-use assets and lease liabilities are not recognized.

(XVIII) Operating leases

The Group leases its investment properties. Since almost all risks and rewards of ownership of the subject assets have not been transferred, these lease contracts are classified as operating leases. Please refer to Note VI(XII) for investment properties.

The maturity analysis of lease payments receivable is presented in the following table as the total undiscounted lease payments to be received after the reporting date:

	March 31, 2026	December 31, 2025	March 31, 2025
Less than one year	$ 3,639	4,929	5,294
1 to 2 year	697	661	1,114
2 to 3 year	697	661	-
3 to 4 year	116	276	-
	$ 5,149	6,527	6,408

(XIX) Employee benefits

1. Defined benefit plans

   As there were no significant market fluctuations, material curtailments, settlements, or other major one-time events after the reporting dates of the previous years, the Group applied the pension cost rate determined by actuarial valuation as of December 31, 2025 and 2024 to measure and disclose pension costs for the interim period.

   The details of pension costs recognized as expenses by the Group are as follows:

	For the Three Months Ended March 31	
	2026	2025
Operating costs	$ 26	26
Operating expenses	$ 65	66

2. Defined Contribution Plan

   The pension expenses of the Group under the defined contribution plans, which have been contributed to the Bureau of Labor Insurance, are as follows:

	For the Three Months Ended March 31	
	2026	2025
Operating costs	$ 1,474	2,294
Operating expenses	$ 6,612	5,229

(XX) Income tax

1. The Group's income tax expense (benefit) are as follows:

		For Three Months Ended March 31	
		2026	**2025**
Current tax expenses (benefit)			
Current period	$	12,629	2,172
Adjustments for prior periods		4,295	(3,424)
		16,924	(1,252)
Deferred tax benefit			
Occurrence of temporary difference		12,547	(21,374)
Income tax expense (benefit)	**$**	**29,471**	**(22,626)**

2. Income Tax Assessment
   The Corporation has been assessed through 2024. Its domestic subsidiaries have been assessed through 2023.

(XXI) Capital and other equity

Except as described below, there were no significant changes in the Group's capital and other equity for the periods from January 1 to March 31, 2026 and 2025. For related information, please refer to Note VI(XXII) of the 2025 consolidated financial statements.

1. Issuance of ordinary shares
   The reconciliation of shares outstanding for three months ended March 31, 2026 and 2025 is as follows:

		For the Three Months Ended March 31	
		2026	**2025**
Balance on January 1	$	179,142	167,142
Issued for cash		-	12,000
Balance on March 31	**$**	**179,142**	**179,142**

On November 12, 2024, the Corporation, through the resolution of the board of directors, approved a cash capital increase by issuing 12,000 thousand new ordinary shares with a par value of $10 per share, at an issue price of $27 per share. The capital increase was approved by the FSC under Letter No. 1130367745 dated January 20, 2025. On February 13, 2025, the board of directors resolved to set March 27, 2025 as the reference date of capital increase. The registration of the capital increase was completed on April 16, 2025.

10% of the aforementioned new shares were reserved for employee subscription. A compensation cost of $1,620 thousand related to such employee stock subscription was recognized during the period from January 1 to March 31, 2025.

2. Capital surplus

The Group's capital surplus balance is as follows:

		March 31, 2026	December 31, 2025	March 31, 2025
Issuance of ordinary shares	$	2,045,926	2,045,926	2,047,175
Treasury share transaction		68,583	68,583	105,349
Changes in ownership interests in subsidiaries		2,317	2,317	2,733
Conversion of bonds		672,001	672,001	672,001
Employee share options		88,150	88,150	51,384
Gain on disgorgement		140	140	140
	$	2,877,117	2,877,117	2,878,782

According to the Company Act, the capital surplus must first be used to offset a deficit and may then be distributed as cash dividends or transferred to share capital in proportion to shareholders' original shareholdings. The realized capital surplus referred to in the preceding paragraph includes the excess of the issuance price over par value from issuing ordinary shares and the income received from donations. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the amount of capital surplus that may be transferred to share capital each year shall not exceed 10% of the Corporation's paid-in capital.

3. Retained earnings

Under the 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 legal reserve 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 from previous years shall be used by the Corporation's board of directors as the basis for proposing a distribution plan of new issued shares which should be resolved in the shareholders' meeting for the distribution. The board of directors is authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting.

The Corporation considered overall business environment, industrial growth, undistributed retained earnings, capital surplus, financial structure, and operating condition for the distribution of earnings in order to maintain stable development and secure equity of investors. The appropriations of earnings should be higher than ten percent of undistributed retained earnings. If the undistributed retained earnings are less than one percent of the paid-in capital, then the earnings shall be transferred to retained earnings and not distributed to shareholders. The Corporation is entitled to distribute bonuses in shares or in cash; cash bonus should not be less than ten percent of total bonuses. If cash bonus will be less than $1 per share, then the Corporation shall distribute all bonuses in shares.

(1)Legal reserve

When the company has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, it may be used to be distributed as bonuses in shares or in cash through the resolution of the board of directors. under shareholders' equity

(2)Special reserve

According to the FSC regulations, when the Corporation distributes distributable earnings, the net amount of other deductions from shareholder' equity recorded during the current year should be deducted from the current period's after-tax net profit. The resulting amount, along with any items included in the current period's undistributed earnings other than the after-tax net profit, as well as the undistributed earnings from the previous period, should be used to allocate additional special reserves. For the amount of other deductions from shareholders' equity accumulated in previous periods, it must be allocated to the special reserve from the previous period's undistributed earnings and cannot be distributed. When the amount of other deductions from shareholder' equity is reversed, the reversed portion may be distributed as earnings.

(3)Earnings appropriations

The 2025 loss appropriation plan had been proposed by the Board of Directors on March 10, 2026. As the Company incurred a loss, no distribution was made. The 2024 earnings appropriation plan had been resolved by the shareholders' meeting on May 28, 2025.The amounts of dividends distributed to the owners are as follows:

	Year Ended December 31, 2024	
	Amount per share	**Total amount**
Dividends distributed to ordinary shareholders		
Cash	$ 0.5370	87,158

4. Treasury shares

The Corporation repurchased treasury shares in accordance with Section 28(2) of the Securities and Exchange Act to motivate employees and enhance their loyalty. The changes in the number of treasury shares for the three months ended March 31, 2026 and 2025 are as follows:

	For Three Months Ended March 31	
	2026	**2025**
Balance at the beginning of January 1	12,826	8,963
Transferred during the period	-	(4,137)
Repurchases during the period	168	-
Balance at the end of March 31	12,994	4,826

On February 13, 2025, the Board of Directors resolved to transfer 4,137 thousand treasury shares to employees, and the total proceeds received amounted to NT$96,569 thousand. For more information on employee stock options, please refer to Note VI (XXII).

The transfer of treasury shares to employees resulted in the recognition of compensation cost of NT$36,766 thousand for the period from January 1 to March 31, 2025.

The Company resolved, at the Board of Directors' meetings held on March 10, 2026, to repurchase treasury shares at a price range of NT$17 to NT$29.5 per share. From January 1 to March 31, 2026, the Company repurchased a total of 568 thousand treasury shares pursuant to Article 167-1 of the Company Act for the purpose of transferring shares to employees.

As of March 31, 2026, the number of treasury shares not yet retired totaled 13,394 thousand shares. Treasury shares held by the Company shall not be pledged in accordance with the Securities and Exchange Act, and prior to their transfer, such shares do not carry shareholders' rights.

5. Other equity

		Exchange differences on translation of foreign financial statements	Unrealized (loss) gain on financial assets at FVTOCI	Total
Balance at January 1, 2026	$	(31,302)	(47,641)	(78,943)
Exchange differences on translation of the financial statements of foreign entities		34,019	-	34,019
Unrealized gains (losses) on FVOCI financial assets		-	(74)	(74)
Balance at March 31, 2026	**$**	**2,717**	**(47,715)**	**(44,998)**
Balance at January 1, 2025	$	10,091	(36,194)	(26,103)
Exchange differences on translation of the financial statements of foreign entities		40,470	-	40,470
Unrealized gains (losses) on FVOCI financial assets		-	338	338
Balance at March 31, 2025	**$**	**50,561**	**(35,856)**	**14,705**

(XXII) Share-based payments

The Group had the following share-based payments transactions:

	Equity Settlement			
		The Sixth Transfer of Treasury Shares to Employees		
Type	Employee Share Options	Treasury Shares Transferred to Employees – The Second Repurchase in 2020	Treasury Shares Transferred to Employees – The Third Repurchase in 2020	Shares Issued for Cash Capital Increase Reserved for Employee Subscription
Grant-date	November 30, 2021	February 14, 2025	February 14, 2025	March 14, 2025
Given quantity (thousand/unit)	2,000	2,572	1,565	1,200
Duration	4 years	13 days	13 days	7 days
Subscription price per share (NTD)	30.05	24.09	22.30	27.00
Adjusted subscription price per share (NTD)	39.29	-	-	-

1. Treasury share options to employees

(1) On March 9, 2022, the board of directors of the Corporation approved the issuance of employee stock options. A total of 2,000 thousand options were granted, with each option entitling the holder to subscribe for one share of common stock. The new shares will be issued exclusively to employees of the subsidiaries indirectly held by the Corporation. The subscription price for the shares will be determined according to the parent company's regulations for transferring treasury shares to employees. The vesting period will begin from the date the employee starts providing services, which is November 30, 2021, and lasts for four years. The fair value of the stock options on the grant date is $40.11 within the six-month lock-up period and $44.00 after the lock-up

period.

The options granted to the holders after the first anniversary from the grant date, except during the period of suspension of transfer in accordance with the law, the cumulative exercisable ratio of share options is as follows:

Granted Share Options Period	Cumulative Exercisable Ratio of Share Options
After the first anniversary from the grant date	50%
After the second anniversary from the grant date	75%
After the third anniversary from the grant date	100%

Note: According to the above schedule, seventy five percent of every subscription should be lock-up for six months, rest of them are no restriction.

According to the regulations on the transfer of treasury shares of the Corporation, if there is an increase in the issued ordinary shares before the transfer, the execution price may be adjusted according to the ratio of the increase in the issued shares.

(2)Measurements at fair value on the grant date

Issuance of ordinary shares under employee share option at fair value on the grant date was priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

	Treasury Shares Employee Share Options
Expected volatility (%)	39.53%-46.21%
Expected life (in years)	4 years
Risk-free interest rate (%)	0.44%-0.51%

(3)The aforementioned employee share options are as follows:

	For Three Months Ended March 31	
	2025	
	Weighted-average Exercise Price ($)	Number of Options (In Thousands of Shares)
Balance at January 1	30.05	2,000
Options granted during the period	-	-
Balance at March 31	**30.25**	**2,000**

The information regarding the outstanding employee share options for three months ended March 31, 2026 and 2025 is as follows:

	March 31, 2025
Exercise price range	$ 30.05
Weighted-average remaining contract period (in years)	0.67

2. The sixth treasury shares transferred to employees

(1)On February 21, 2020 and March 30, 2020, the Corporation, through resolutions of the board of directors, repurchased treasury shares. On February 14, 2025, the Corporation granted 2,572 thousand and 1,565 thousand treasury share options, respectively, to eligible employees of the Corporation who met certain conditions. A total of 4,137 thousand treasury shares were granted and fully transferred on March 20, 2025, with total proceeds received amounting to $96,569 thousand.

(2)Measurements at fair value on the grant date

Issuance of ordinary shares under employee share option at fair value on the grant date was priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

	Treasury Shares Transferred to Employees	
	The second repurchase in 2020	The third repurchase in 2020
Expected volatility (%)	3.98%	3.98%
Expected life (in days)	13	13
Risk-free interest rate (%)	1.73%	1.73%

(3)The aforementioned treasury share options are as follows:

	For Three Months Ended March 31, 2025	
	Weighted-average Exercise Price ($)	Number of Options (In Thousands of Shares)
Balance at January 1	$ -	-
Options granted during the period	22.30~24.09	4,137
Options exercised during the period	22.30~24.09	(4,137)
Outstanding at March 31	-	-
Executable at March 31	-	-

(4) Employee expenses

The expenses of issuance of ordinary shares under employee share options are as follows:

	For Three Months Ended March 31, 2025
Employee share options expenses	$ 36,766

3. Issuance of shares reserved for employee subscription

(1)On November 12, 2024, the Corporation, through a resolution of the board of directors, approved a cash capital increase by issuing a total of 12,000 thousand ordinary shares. In accordance with Article 267 of the Company Act, 10% of the newly issued shares were reserved for employee subscription. The grant date of the employee share options was March 14, 2025, and the fair value of the share options on the grant date was $28.30.

(2)Measurements at fair value on the grant date

Issuance of ordinary shares under employee share option at fair value on the grant date was priced using the Black-Scholes pricing model, and the inputs to the model are as follows:

	Issuance of Shares Reserved for Employee Subscription
Expected volatility (%)	25.56%
Expected life (in days)	7
Risk-free interest rate (%)	1.40%

(3)The aforementioned treasury share options are as follows:

	For Three Months Ended March 31, 2025
Employee share options expenses	$ 1,620

(XXIII) Earnings (Loss) per share

The calculation of basic and diluted earnings (loss) per share for the Group is as follows:

	For Three Months Ended March 31	
	2026	2025
Basic earnings (loss) per share		
Net income (loss) for the period attributable to holders of ordinary shares of the Corporation	$ 41,640	(77,665)
Weighted-average number of ordinary shares outstanding	166,270	159,397
	$ 0.25	(0.49)
Diluted earnings (loss) per share		
Net income (loss) for the period attributable to holders of ordinary shares of the Corporation	$ 41,640	
After-tax impact of interest expense from convertible bonds	1,606	
Net income attributable to holders of ordinary shares of the Corporation (basic)	$ 43,246	
Weighted average number of ordinary shares	166,270	
Effect of potentially dilutive ordinary shares		
Effect of convertible bonds conversion	5,605	
Weighted average number of ordinary shares (after adjusting for potentially dilutive ordinary shares impact)	171,875	
	$ 0.25	

The Group incurred a net loss for the three months ended March 31, 2025. Therefore, diluted earnings per share was not calculated due to the anti-dilutive effect.

(XXIV) Revenue from contracts with customers

1. Disaggregation of revenue

	For Three Months Ended March 31	
	2026	2025
Main product/service line:		
Sporting goods	$ 1,633,602	1,778,500
Furniture	270	79,223
Other revenue	4,398	6,455
	$ 1,638,270	1,864,178

2. Contract balances

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 993	3,359	2,238
Accounts receivable	1,054,104	1,273,879	1,125,285
Less: loss allowance	(151,038)	(167,919)	(100,980)
Total	$ 904,059	1,109,319	1,026,543
Contract liabilities	$ 49,905	76,943	50,897

For notes receivable and accounts receivable and their impairment disclosures, please refer to Note VI(V).

The contract liability balances as of January 1, 2026 and January 1, 2025, were recognized as revenue in the amounts of $76,943 thousand and $73,924 thousand, respectively, during the three months ended March 31, 2026 and 2025.

The changes in contract assets and contract liabilities primarily resulted from the timing difference between the transfer of goods or services to customers and the customers' payments. There were no other significant changes during the three months ended March 31, 2026 and 2025.

(XXV) Employee and director remuneration

The Company amended its Articles of Incorporation pursuant to a resolution of the shareholders' meeting on May 28, 2025. According to the amended Articles, if the Company generates profits in a fiscal year, no less than 1% shall be appropriated as employee compensation (of which no less than 20% of the total employee compensation shall be allocated to grassroots employees), and no more than 5% shall be appropriated as director compensation. However, if the Company has accumulated deficits, an amount shall first be reserved to offset such deficits.

Recipients of employee compensation, whether in the form of shares or cash, may include employees of the Company's subsidiaries who meet certain conditions.
Prior to the amendment, the Articles of Incorporation stipulated that if the Company generated profits in a fiscal year, no less than 1% shall be appropriated as employee compensation and no more than 5% as director compensation. Likewise, if the Company had accumulated deficits, an amount shall first be reserved to offset such deficits. The recipients of employee compensation, whether in the form of shares or cash, may include employees of the Company's subsidiaries who meet certain conditions.

For the three months ended March 31, 2026 and 2025, no employee or director compensation was accrued due to accumulated deficits and net loss before tax, respectively.

Employee and director compensation is estimated based on the Company's pre-tax net income before deducting such compensation, multiplied by the allocation ratios specified in the Articles of Incorporation, and is recognized as operating costs or expenses for the respective period.

If the actual amounts resolved in the subsequent year differ from the accrued estimates, such differences shall be accounted for as changes in accounting estimates and recognized in profit or loss in the subsequent year. If employee compensation is distributed in the form of shares, the number of shares to be issued is calculated based on the closing price of the Company's ordinary shares on the day prior to the board resolution date.

For the year ended December 31, 2025, the Company incurred a net loss before tax; therefore, no employee or director compensation was accrued. For the year ended December 31, 2024, employee compensation amounted to NT$869 thousand, while director compensation was NT$0 thousand. There was no difference between the accrued amounts and the actual distributions. Relevant information is available on the Market Observation Post System.

(XXVI) Non-operating income and expenses

1. Interest income

The Group's interest income is as follows:

	For Three Months Ended March 31	
	2026	**2025**
Interest income from bank deposits	$ 1,410	2,444
Other interest income	18	7
	$ 1,428	2,451

2. Other income

The Group's other income is as follows:

	For Three Months Ended March 31	
	2026	**2025**
Rental income	$ 5,431	2,428
Other	3,160	6,834
	$ 8,591	9,262

3. Other gains and losses

The Group's other gains and losses are as follows:

	For Three Months Ended March 31	
	2026	**2025**
Foreign exchange profits	$ 30,674	27,905
Net loss of financial assets at FVTPL	(4,900)	(4,491)
Gain (loss) on disposal of property, plant and equipment	(332)	94
Other expenses	(3,870)	(6)
	$ 21,572	23,502

4. Financing costs

The Group's financing costs are as follows:

	For Three Months Ended March 31	
	2026	**2025**
Interest expenses - Bank borrowings	$ 22,872	23,391
Interest expenses - Convertible bonds	1,468	445
Interest expenses - Lease liabilities	357	332
Other interest expense	98	227
	$ 24,795	24,395

(XXVII) Financial instruments

Except as described below, there were no significant changes in the fair value of the Group's financial instruments or in the Group's exposure to credit risk, liquidity risk, and market risk arising from financial instruments. For related information, please refer to Note VI (XXVIII) of the consolidated financial statements for the year ended December 31, 2025.

1. Credit Risk

(1)Concentration of Credit Risk

As of March 31, 2026, December 31, 2025, and March 31, 2025, the concentration of credit risk from the Group's top 10 customers accounted for 42.65%, 53.24%, and 36.43% of the total accounts receivable, respectively.

(2)Credit Risk of Accounts Receivable and Debt Securities

For information on the exposure to credit risk of notes receivable and accounts receivable, please refer to Note VI(V). Other financial assets measured at amortized cost include other receivables and investments in government bonds. Details of the allowance for losses are provided in Note VI(VI).

Other receivables are financial assets with low credit risk; therefore, the allowance for losses is measured based on the twelve-month expected credit losses during the period. The movements in the allowance for losses for the three months ended March 31, 2026 and 2025 are as follows:

	Other Receivables
Balance at March 31, 2026 (as of balance at January 1, 2026)	$ 39,500
Balance at March 31, 2025 (as of balance at January 1, 2025)	$ 39,500

2. Liquidity risk

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements.

	Carrying Amount	Contractual Cash Flow	Within 6 Months	6-12 Months	1-2 Years	More Than 2-5 Years
March 31, 2026						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including those maturing within one year)	$ 4,099,601	4,468,272	2,198,538	388,004	646,704	1,235,026
Notes payable, accounts payable and other payables	862,556	862,556	844,013	18,543	-	-
Ordinary corporate bonds	188,321	200,000	-	-	200,000	-
Guarantee deposits	3,780	3,781	257	1,563	704	1,257
Lease liabilities (including those maturing within one year)	60,574	63,711	11,403	9,649	16,520	26,139
	$ 5,214,832	5,598,320	3,054,211	417,759	863,928	1,262,422
December 31, 2025						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including those maturing within one year)	$ 4,072,790	4,437,068	2,168,617	377,494	677,374	1,213,583
Notes payable, accounts payable	1,017,115	1,017,115	1,017,115	-	-	-

	Carrying Amount	Contractual Cash Flow	Within 6 Months	6-12 Months	1-2 Years	More Than 2-5 Years
and other payables						
Ordinary corporate bonds (including within one year)	186,854	200,000	-	-	-	200,000
Guarantee deposits	2,938	2,938	1,098	225	896	719
Lease liabilities (including those maturing within one year)	66,064	69,509	12,299	10,404	18,321	28,485
	$ 5,345,761	5,726,630	3,199,129	388,123	696,591	1,442,787
March 31, 2025						
Non-derivative financial liabilities						
Long-term and short-term borrowings (including those maturing within one year)	$ 3,389,702	3,798,329	1,406,742	296,182	323,507	1,771,898
Notes payable, accounts payable and other payables	1,303,504	1,303,504	1,303,504	-	-	-
Ordinary corporate bonds (including within one year)	182,517	200,000	-	-	-	200,000
Guarantee deposits	2,074	2,074	618	882	274	300
Long-term accounts receivable	31,399	31,399	-	-	31,399	-
Lease liabilities (including those maturing within one year)	54,813	56,939	9,671	9,739	16,828	20,701
	$ 4,964,009	5,392,245	2,720,535	306,803	372,008	1,992,899

The Group did not expect that the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

3. Market risk

(1)Currency risk

The Group's significant exposure to foreign currency risks was as follows:

	March 31, 2026			December 31, 2025			March 31, 2025		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets									
Monetary items									
USD:TWD	$ 93,467	31.9950	2,990,465	94,709	31.4300	2,976,700	85,990	32.2050	2,855,298
CNY:TWD	6,894	4.6290	31,912	7,709	4.4960	34,661	4,570	4.5730	20,899
CAD:TWD	1,332	22.9600	30,586	1,001	22.9400	22,974	2,918	23.1600	67,581
GBP:TWD	365	42.2700	15,449	453	42.3300	19,185	3,452	43.0500	148,609
EUR:USD	731	1.1474	26,851	731	1.1740	26,990	458	1.0833	16,474
GBP:USD	600	1.3211	25,367	602	1.3468	25,489	75	1.2965	3,229
USD:CNY	2,032	6.9119	65,019	2,095	6.9907	65,851	4,848	7.2611	160,978
USD:CAD	483	1.3935	15,448	371	1.3701	11,664	999	1.4377	33,172
Financial liabilities									
Monetary items									
USD:TWD	5,781	31.9950	184,961	5,961	31.4300	187,351	2,040	33.2050	67,738
CNY:TWD	129,914	4.6290	601,373	112,170	4.4960	504,318	142,331	4.5730	650,850
CNY:USD	7,551	0.1447	34,954	7,791	0.1430	35,928	7,456	0.1377	34,096
GBP:USD	438	1.3211	18,503	302	1.3468	12,768	299	1.2965	12,872
USD:CNY	69	6.9119	2,209	8	6.9907	243	465	7.2611	15,440
USD:JPY	1,887	159.5761	60,363	1,887	156.5239	59,297	1,663	149.1019	55,220
USD:CAD	413	1.3935	13,222	307	1.3701	9,651	1,368	1.4337	45,424
USD:THB	1,625	32.4230	51,996	1,628	31.8504	51,155	1,535	33.6492	50,970

The Corporation's foreign currency risk primarily arises from exchange gains or losses incurred on foreign currency-denominated cash and cash equivalents, accounts receivable and other receivables, accounts payable, and other payables. As of March 31, 2026 and 2025, assuming a 1% depreciation in the New Taiwan Dollar (TWD) against major foreign currencies with all other variables held constant, the after-tax net income for the three months ended March 31, 2026 and 2025 would have increased by $22,679 thousand and $23,671 thousand, respectively. The analyses for both periods are based on the same assumptions.

Due to the variety of functional currencies used within the Group, information on foreign exchange gains and losses on monetary items is disclosed in aggregate. The foreign exchange gains and losses (including both realized and unrealized amounts) for the three months ended March 31, 2026 and 2025 amounted to gains of $30,674 thousand and $27,905 thousand, respectively.

(2)Interest rate risk

The Group's financial assets and exposure to interest rates for financial liabilities are described in the liquidity risk management section of this note.

The following sensitivity analysis is based on the Group's exposure to interest rate risk for derivative and non-derivative instruments as of the reporting date. For floating rate liabilities, the analysis assumes that the amount of the liability outstanding at the end of the reporting period was outstanding for the entire year. A 25-basis point increase or decrease is used in internal reporting to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher or lower and all other variables remained constant, the Group's net income as of March 31, 2026 and 2025 would have decreased by $2,562 thousand and $2,119 thousand, respectively. This change is primarily attributable to the Group's exposure to interest rate fluctuations on its variable-rate bank borrowings.

(3)Other price risks

If the equity securities price changes (analysis of the two periods uses the same basis, assuming other variables remain unchanged) on the reporting date, the impact on comprehensive profit and loss items is as follows:

	For Three Months Ended March 31			
	2026		2025	
Equity securities price on the reporting date	**Post-tax profit and loss**	**Post-tax profit and loss**	**Post-tax profit and loss**	**Post-tax profit and loss**
Increase 3%	$ 3,696	2,752	1,115	1,724
Decrease 3%	$ (3,696)	(2,752)	(1,115)	(1,724)

4. Fair value information

(1)Categories and Fair Values of Financial Instruments

The fair value of financial assets and liabilities at fair value through profit and loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows, however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

	March 31, 2026				
		Fair value			
	Carrying Amounts	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Limited Partnership	$ 52,306	-	-	52,306	52,306
Foreign government bonds	8,020	8,020	-	-	8,020
Convertible promissory notes	31,400	-	-	31,400	31,400
Subtotal	91,726	8,020	-	83,706	91,726
Financial assets at FVTOCI					
Stocks listed on domestic markets	$ 17,512	17,512	-	-	17,512
Stocks unlisted on domestic markets	69,866	-	-	69,866	69,866
Stocks unlisted on foreign markets	35,816	-	-	35,816	35,816
Subtotal	123,194	17,512	-	105,682	123,194
Financial assets at amortized cost					
Cash and cash equivalents	$ 828,820	-	-	-	-
Notes receivable, accounts receivable and other receivables	918,253	-	-	-	-
Financial bonds (financial assets at amortized cost -current and non-current)	31,995	-	-	-	-
Guarantee deposits paid	54,176	-	-	-	-
Subtotal	1,833,244	-	-	-	-
Financial liabilities at FVTPL					
Embedded derivative liabilities – convertible bonds	$ 4,640	-	4,640	-	4,640
Forward foreign exchange contracts	530	-	-	530	530
Subtotal	5,170	-	4,640	530	5,170
Financial liabilities at amortized cost					
Short-term borrowings	$ 2,257,573	-	-	-	-
Notes payable, accounts payable and other payables	862,556	-	-	-	-
Leasing liabilities (including current and non-current)	60,574	-	-	-	-
Long-term borrowings due within 1 year or 1 business cycle	277,226	-	-	-	-
Long-term borrowings	1,564,802	-	-	-	-
Bonds payable	188,321	-	-	-	-
Guarantee deposits received	3,780	-	-	-	-
Subtotal	5,214,832	-	-	-	-

	December 31, 2025				
		Fair value			
	Carrying Amounts	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Limited Partnership	$ 56,045	-	-	56,045	56,045
Foreign government bonds	6,111	6,111	-	-	6,111
Convertible promissory notes	31,400	-	-	31,400	31,400
Subtotal	93,556	6,111	-	87,445	93,556
Financial assets at FVTOCI					
Stocks listed on domestic markets	$ 17,586	17,586	-	-	17,586
Stocks unlisted on domestic markets	69,866	-	-	69,866	69,866
Stocks unlisted on foreign markets	35,816	-	-	35,816	35,816
Subtotal	123,268	17,586	-	105,682	123,268
Financial assets at amortized cost					
Cash and cash equivalents	$ 610,052	-	-	-	-
Notes receivable, accounts receivable and other receivables	1,125,511	-	-	-	-
Financial bonds (financial assets at amortized cost -current and non-current)	31,430	-	-	-	-
Guarantee deposits paid	55,781	-	-	-	-
Subtotal	1,822,774	-	-	-	-
Financial liabilities at FVTPL					
Embedded derivative liabilities – convertible bonds	$ 4,100	-	4,100	-	4,100
Financial liabilities at amortized cost					
Short-term borrowings	$ 2,198,741	-	-	-	-
Notes payable, accounts payable and other payables	1,017,115	-	-	-	-
Leasing liabilities (including current and non-current)	66,064	-	-	-	-
Long-term borrowings due within 1 year or 1 business cycle	295,608	-	-	-	-
Long-term borrowings	1,578,441	-	-	-	-
Corporate bonds payable	186,854	-	-	-	-
Guarantee deposits received	2,938	-	-	-	-
Subtotal	5,345,761	-	-	-	-

	March 31, 2025				
		Fair value			
	Carrying Amounts	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Non-derivative financial assets held for trading	$ 57,450	-	-	57,450	57,450
Subtotal	57,450	-	-	57,450	57,450
Financial assets at FVTOCI					
Private Stocks listed on domestic markets	$ 9,908	9,908	-	-	9,908
Stocks unlisted on domestic markets	25,885	-	-	25,885	25,885
Stocks unlisted on foreign markets	1,382	-	-	1,382	1,382
Subtotal	37,175	9,908	-	27,267	37,175
Financial assets at amortized cost					
Cash and cash equivalents	$ 1,023,495	-	-	-	-
Notes receivable, accounts receivable and other receivables	1,042,837	-	-	-	-
Financial bonds (financial assets at amortized cost - current and non-current)	39,846	-	-	-	-
Financial assets at amortized cost - current	16,603	-	-	-	-
Guarantee deposits paid	47,253	-	-	-	-
Subtotal	2,170,034	-	-	-	-
Financial liabilities at FVTPL					
Embedded derivative liabilities – convertible bonds	$ 3,920	-	3,920	-	3,920
Forward foreign exchange contracts	2,769	-	-	2,769	2,769
Subtotal	6,689	-	3,920	2,769	6,689
Financial liabilities at amortized cost					
Short-term borrowings	$ 1,364,450	-	-	-	-
Notes payable, accounts payable and other payables (including related parties)	1,303,504	-	-	-	-
Leasing liabilities (including current and non-current)	54,813	-	-	-	-
Convertible bonds - liabilities component	273,596	-	-	-	-
Long-term borrowings	1,751,706	-	-	-	-
Corporate bonds payable	182,517	-	-	-	-
Long-term accounts payable (including related parties)	31,399	-	-	-	-
Guarantee deposits received	2,074	-	-	-	-
Subtotal	4,964,059	-	-	-	-

(2)Valuation techniques for financial instrument not measured at fair value

The valuation techniques and assumptions used for financial instrument not measured at fair value that the Group estimates are as follows:

(2.1)Financial assets measured at amortized cost

If there are active market quotes, the market price is used as the fair value; if there is no market price available for reference, valuation techniques or counterparty quotes will be adopted.

(2.2)Financial liabilities measured at amortized cost

If recent transaction prices or market maker quotes are available, the fair value is based on such information. If there is no quoted market price available, the fair value is determined by using valuation techniques and calculated as the present value of the estimated cash flows.

(3)Valuation techniques for financial instrument measured at fair value

(3.1)Non-derivative financial instruments

If there are active market quotes, the market price is used as the fair value. The fair value of listed equity instruments and debt instruments with active market quotes is based on the market prices announced by the central government bond trading centers of major exchanges and those judged to be actively traded.

If timely and frequent public quotations of financial instruments can be obtained from exchanges, brokers, underwriters, industry associations, pricing service agencies, or regulatory authorities, and such prices represent actual and frequent fair market transactions, then the financial instruments have active market public quotations. If the above conditions are not met, the market is considered inactive. In general, significant bid-ask spreads, and a notable increase in bid-ask spreads or very low trading volumes are all indicators of an inactive market.

For the financial instruments held by the Group in an active market, its fair value is listed by category and nature as follows:

The fair values of financial assets and financial liabilities with standard terms and conditions traded in active markets, such as listed shares, are based on the market prices.

Apart from the aforementioned financial instruments with active markets, the fair value of other financial instruments is estimated by using valuation techniques or by referring to counterparty quotations. The fair value estimated through valuation techniques can refer to the current fair value of other financial instruments with substantially similar conditions and characteristics, the discounted cash flow method, or other valuation techniques, including the calculations using models based on available market information on the consolidation reporting date (TPEx reference yield curve, Reuters commercial paper interest rate average quotation).

For the financial instruments held by the Group in an unactive market, its fair value is listed by category and nature as follows:

Equity instruments without publicly available quotes: The fair value is estimated using the discounted cash flow model, where the major assumption involves discounting the investee’s expected future cash flows using a discount rate that reflects the time value of money and investment risk.

(3.2)Derivative financial instruments

It is evaluated based on widely accepted valuation models by market users, such as the discounted cash flow method and the option pricing model. Forward foreign exchange contracts are usually valued based on the current forward rate. Structured interest rate derivative financial instruments are priced using appropriate option pricing models (Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

(4)Transfers between different levels

The shares held by the Group that have no public market quotation and are measured at fair value using significant unobservable inputs are classified as Level 3. For the three months ended March 31, 2026 and 2025, there were no changes in the valuation techniques for their fair value, and thus there were no transfers between levels during these periods.

(5)Movement in Level 3

	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance on January 1, 2026	$ 87,445	105,682	193,127
Total profit or loss			
Recognized in profit or loss	(3,739)	-	(3,739)
Balance on March 31, 2026	**$ 83,706**	**105,682**	**189,388**
Balance on January 1, 2025	$ 39,617	25,376	64,993
Total profit or loss			
Recognized in profit or loss	(167)	-	(167)
Recognized in other comprehensive income	-	338	338
Purchases	18,000	-	18,000
Effects of changes in foreign exchange rates	-	1,553	1,553
Balance on March 31, 2025	**$ 57,450**	**27,267**	**84,717**

The aforementioned total profit or loss are reported under “Other Profit and Loss” and “Unrealized Valuation Profit (Loss) of Financial Assets Measured at FVTOCI”.

Among them, those related to the assets still held on March 31, 2026 and 2025 are as follows:

	For Three Months Ended March 31 2026	For Three Months Ended March 31 2025
Total profit or loss		
Recognized in profit or loss (reported in “Profit (Loss) of Financial Assets (liabilities) at FVTPL”)	$ (3,739)	(167)
Recognized in other comprehensive income (reported in “Unrealized Valuation Profit (Loss) of Financial Assets Measured at FVTOCI”)	(74)	338

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

Those of the Group at fair value classified as Level 3 are mainly financial assets at FVTPL - equity securities investments, derivative financial instruments, private equity fund investments, and financial assets at FVTOCI - equity securities investments.

The majority of the fair values within the Group are classified as Level 3, having only a single significant unobservable input. However, investments in equity instruments without an active market have multiple significant unobservable inputs. These significant unobservable inputs for equity investments without an active market are independent of each other, so no correlations exist between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at FVTOCI – equity instruments investments without an active market	Income approach Market approach Cost approach	·Lack of market liquidity discount (10%–45% as of March 31, 2026, December 31, 2025 and March 31, 2025) Price-to-book (P/B) multiple (2.06 as of December 31, 2025)	·Lack of market liquidity The higher the discount, the lower the fair value The higher the multiple, the higher the fair value.
Financial assets at FVTPL - redemption right of convertible bonds	Income approach	·Lack of market liquidity discount (25% as of December 31, 2025)	Fair value decreases as the market ability discount increases.
Financial assets at FVTPL - limited partnership	Net assets value	·Net assets value	·The higher the net assets' value, the higher the fair value

(7)For fair value in level 3, sensitivity analysis of fair value to reasonably possible alternative assumptions

The Group's fair value of financial instruments is reasonable, but using different valuation models or valuation techniques may lead to different valuation results. For financial instruments classified as level 3, the impact on current profit and loss or other comprehensive income due to changes in valuation techniques is as follows:

	Inputs	Up or down Changes	Changes in fair value reflected in current profit and loss: Favorable changes	Changes in fair value reflected in current profit and loss: Unfavorable changes	Changes in fair value reflected in other comprehensive income: Favorable changes	Changes in fair value reflected in other comprehensive income: Unfavorable changes
March 31, 2026						
Financial assets at FVTPL						
Limited partnership	Net assets value	1%	523	(523)	-	-
Financial assets at FVTOCI	Discounted Cash Flow Method	1%	314	(314)	-	-
Investment in equity instruments without an active market	Discounted Cash Flow Method	1%	-	-	1,057	(1,057)
December 31, 2025						
Financial assets at FVTPL						
Limited partnership	Net assets value	1%	560	(560)	-	-
Financial assets at FVTOCI	Discounted Cash Flow Method	1%	314	(314)	-	-
Investment in equity instruments without an active market	Discounted Cash Flow Method	1%	-	-	1,057	1,057
March 31, 2025						
Financial assets at FVTPL						
Limited partnership	Net assets value	1%	575	(575)	-	-
Financial assets at FVTOCI						
Investment in equity instruments without an active market	Discounted Cash Flow Method	1%	-	-	273	(273)

(XXVIII) Financial risk management

There were no significant changes in the Group's financial risk management objectives and policies compared to those disclosed in Note VI (29) of the consolidated financial statements for the year ended December 31, 2025.

(XXIX) Capital management

The Group's objectives, policies, and procedures for capital management are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025. In addition, there were no significant changes in the quantitative disclosures related to capital management compared to those previously disclosed. For related information, please refer to Note VI (XXX) of the consolidated financial statements for the year ended December 31, 2025.

(XXX) Liabilities adjustments of financing activities

The non-cash financing activities of the Group for the three months ended March 31, 2026 and 2025 are as follows:

1. Acquired right-of-use assets through leasing, please refer to Note VI(XI).
2. The adjustments from the financing activities are as follows:

	January 1, 2026	Cash Flows	Non-cash changes: Composition of liabilities	Non-cash changes: Exchange Rate Changes	March 31, 2026
Short-term borrowings	$ 2,198,741	56,149	-	2,683	2,257,573
Bonds payable	186,854	-	1,467	-	188,321
Long-term borrowings	1,874,049	(34,606)	-	2,585	1,842,028
Guarantee deposits received	2,938	616	-	226	3,780
Leasing liabilities (including current and non-current)	66,064	(6,282)	-	792	60,574
Total liabilities from financing activities	$ 4,328,646	15,877	1,467	6,286	4,352,276

	January 1, 2025	Cash Flows	Non-cash changes: Composition of liabilities	Non-cash changes: Exchange Rate Changes	March 31, 2025
Short-term borrowings	$ 1,953,595	(590,790)	-	1,645	1,364,450
Bonds payable	-	195,441	(12,924)	-	182,517
Long-term borrowings	2,102,110	(78,837)	-	1,979	2,025,252
Guarantee deposits received	1,975	87	-	12	2,074
Leasing liabilities (including current and non-current)	57,786	(4,579)	-	1,606	54,813
Total liabilities from financing activities	$ 4,115,466	(478,678)	(12,924)	5,242	3,629,106

VII. Related-Party Transactions

(I)Key management personnel remuneration

Key management personnel remuneration comprised:

	For Three Months Ended March 31 2026	For Three Months Ended March 31 2025
Short-term employee benefits	$ 34,718	31,103
Post-employment benefits	301	284
Share-based payment	-	12,941
	$ 35,019	44,328

VIII. Pledged Assets

The carrying amounts of assets pledged as collateral provided by the Corporation are as follows:

Name of Assets	Underlying Pledged Collateral	March 31, 2026	December 31, 2025	March 31, 2025
Accounts receivable	Bank loan	$ 142,461	139,567	188,669
Inventories	Bank loan	523,389	469,912	385,933
Pledge deposits - current (Recorded as other current assets)	Bank loan	10,545	10,545	23,973
Property, plant and equipment	Bank loan	2,738,531	2,742,641	2,699,305
Right-of-use assets	Bank loan	258,145	252,873	263,717
Investment properties	Bank loan	14,069	14,248	132,406
		$ 3,687,140	3,629,786	3,694,003

IX. Commitments and contingencies

The unrecognized contractual commitments of the purchase of property, plant and equipment are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Acquisition of property, plant and equipment	$ 72,197	72,197	214,668

X. Losses Due to Major Disasters: None.

XI. Subsequent Events:

(I) For operational needs, the Corporation's Board of Directors resolved on April 13, 2026 to repurchase its domestic unsecured convertible bonds. The repurchase period is from April 14, 2026 to October 31, 2026. The Corporation expects to repurchase 1,000 bonds at a price not exceeding NT$100 per NT$100 par value and cancel the bonds in accordance with applicable laws after repurchase.

(II) On May 13, 2026, the Corporation's Board of Directors resolved to proceed with the disposal of the real estate of the second plant in Dajia, Taichung. A professional appraisal report has been obtained for the transaction, and the Chairman or the person designated by the Chairman has been authorized to handle the relevant matters at a total transaction price of not less than $915,000 thousand.

XII. Other

(I) The summary of employee benefits, depreciation, and amortization expenses by function is as follows:

Function / Nature	For Three Months Ended March 31, 2026			For Three Months Ended March 31, 2025		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	51,026	179,463	230,489	64,033	225,679	289,712
Labor and health insurance	6,303	17,104	23,407	8,476	19,785	28,261
Pension	1,500	6,677	8,177	2,320	5,295	7,615
Others	1,882	8,862	10,744	2,657	6,458	9,115
Depreciation	18,137	23,059	41,196	16,971	27,372	44,343
Amortization	-	18,510	18,510	-	20,564	20,564

The Group transferred treasury shares to employees in February 2025 and reserved employee stock subscription rights in connection with a cash capital increase in March 2025. The related compensation costs have been recognized as salary expenses. Please refer to Note VI(XXII) for details.

(II) Seasonality of operations:

The Group's operations are not significantly affected by seasonal or cyclical factors.

Dyaco International Inc. and subsidiaries
Notes to the Consolidated Financial Statements

XIII. Other Disclosures

(I) Information on significant transactions

The following were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the three months ended March 31, 2026 as follows:

1. Loans to other parties:

Unit: NT$ thousands

No.	Name of lender	Name of borrower	Account name	Related Party	Highest balance of financing to other party during the Period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reason for short-term financing	Allowance for bad debts	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	Dyaco International Inc.	FITNESS EQUIPMENT SERVICES, LLC	Other receivables from related parties	Yes	863,239	609,815	609,815	-	Business relationship	976,183	Business transaction	-	None	-	976,183	1,681,654
0	Dyaco International Inc.	Dyaco Japan Co., Ltd	Other receivables from related parties	Yes	50,687	50,687	50,687	-	Business relationship	27,875	Business transaction	-	None	-	50,687	1,681,654
0	Dyaco International Inc.	DYACO UK LIMITED	Other receivables from related parties	Yes	143,277	143,277	143,277	-	Business relationship	150,412	Business transaction	-	None	-	150,412	1,681,654
0	Dyaco International Inc.	Iuvo Industry Co., Ltd	Other receivables from related parties	Yes	151,996	151,996	151,996	-	Business relationship	339,740	Business transaction	-	None	-	339,740	1,681,654
0	Dyaco International Inc.	CITY SPORTS (THAILAND) CO., LTD	Other receivables from related parties	Yes	29,346	29,346	23,377	-	Short-term financing	-	Operating turnover	-	None	-	840,827	840,827
0	Dyaco International Inc.	SPIRIT DIRECT LLC	Other receivables from related parties	Yes	92,665	92,665	92,665	-	Short-term financing	50,713	Business transaction	-	None	-	92,665	1,681,654
0	Dyaco International Inc.	CARDIO Fitness GmbH & Co. KG	Other receivables from related parties	Yes	25,697	25,697	18,355	-	Short-term financing	-	Operating turnover	-	None	-	1,681,654	1,681,654
0	Dyaco International Inc.	Cikada Technology Inc.	Other receivables from related parties	Yes	50,000	50,000	20,000	-	Short-term financing	-	Operating turnover	-	None	-	1,681,654	1,681,654
1	Fuel Spirit International Inc.	CITY SPORTS (THAILAND) CO., LTD	Other receivables from related parties	Yes	17,597	17,597	17,597	-	Short-term financing	-	Operating turnover	-	None	-	81,532	81,532
1	Fuel Spirit International Inc.	SWEATBAND. COM LIMITED	Other receivables from related parties	Yes	25,362	25,362	25,362	-	Short-term financing	-	Operating turnover	-	None	-	81,532	81,532
1	Fuel Spirit International Inc.	CARDIO Fitness GmbH & Co. KG	Other receivables from related parties	Yes	25,697	25,697	25,697	-	Short-term financing	-	Operating turnover	-	None	-	81,532	81,532
2	Cikada Technology Inc.(formerly Cikayda Inc.)	Wing Long Co., Ltd.	Other receivables from related parties	Yes	4,000	4,000	4,000	-	Short-term financing	-	Operating turnover	-	None	-	28,590	28,590
3	Iuvo Industry Co., Ltd	Cikada Technology Inc.(formerly Cikayda Inc.)	Other receivables from related parties	Yes	8,000	-	-	-	Short-term financing	-	Operating turnover	-	None	-	122	122

Note 1: The method for filling in the number is as follows

1: «0» represents the parent company

2: Subsidiaries are sequentially numbered from 1 by company.

Note 2: The maximum loan amount of the Group is limited to 40% of the net value in the Group's most recent financial statement.

Note 3: The maximum financing of a parent to a subsidiary in which the lending company directly and indirectly holds over 100% voting shares is limited to 100% of the net value of the lending company; the maximum financing to other individual corporations is limited to 40% of the net value of the lending company.

Note 4: Loans between foreign companies in which this company directly or indirectly holds 100% of the voting shares, or loans from such foreign companies to this company, are limited to 80% of the net assets value of the lending company, both in total loan amount and the amount loaned to a single entity.

Note 5: For companies or firms that have business transactions with the Group, the individual loan amount shall not exceed the amount of business transactions between the two parties. The "amount of business transaction" refers to the higher amount among the purchase or sales amounts between the two parties.

Note 6: For companies, other companies, or firms in which the Corporation holds more than 50% of the shares and has a need for short-term financing, the maximum loan amount shall not exceed 40% of the Corporation's net assets value. The individual loan amount, except for subsidiaries in which the Corporation directly or indirectly holds more than 90% of the ordinary share equity, shall not exceed 40% of the Corporation's net value. For others, it shall not exceed 20% of the Corporation's net assets value.

Note 7: The above transactions have already been offset during the preparation of the Consolidated Financial Statements.

2. Guarantees and endorsements for other parties:

Unit: NT$ thousands

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements During the Period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Amount of Property pledged on guarantees and endorsements	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/guarantees to subsidiary	Subsidiary endorsements/guarantees to parent company	Endorsements/guarantees to the company in mainland China
		Name	Relationship										
0	Dyaco International Inc.	Wing Long Co., Ltd.	2	2,102,067	5,000	5,000	-	-	0.12%	2,102,067	Y	N	N
0	Dyaco International Inc.	IUVO Industry Co., Ltd.	2	2,102,067	50,000	50,000	50,000	-	1.19%	2,102,067	Y	N	N
1	President Plastic Productions MFG. Co., Ltd.	Dyaco International Inc.	4	2,102,067	300,000	300,000	300,000	300,000	7.14%	2,102,067	N	Y	N

Note 1: «0» represents the parent company.

Note 2: The relationships with the Corporation are defined as follows:

1. Companies with business transactions.
2. A company that the Corporation directly and indirectly holds more than 50% of its voting shares.
3. Companies holding directly and indirectly more than 50% of the voting shares of the Corporation.
4. A company that the Corporation directly and indirectly holds more than 90% of its voting shares.
5. Companies that mutually insure each other based on contractual agreements due to the needs of the construction or co-builders.
6. A company guaranteed by all shareholders according to their shareholding ratio due to a joint investment relationship.
7. Joint guarantee for the pre-sale house sales contracts between companies in the same industry in accordance with Consumer Protection Act.

Note 3: Except for subsidiaries in which the parent company directly or indirectly holds more than 90% of the voting shares, where the endorsement/guarantee limit shall not exceed 50% of their net assets value, the endorsement/guarantee limit for individual entities shall not exceed 10% of their net assets value. The endorsement/guarantee limit for a subsidiary providing an endorsement/guarantee for its parent company shall not exceed 50% of the parent company’s net assets value. Additionally, the total endorsement/guarantee limit shall not exceed 50% of the subsidiary’s net assets value.

Note 4: The above transactions have already been offset during the preparation of the Consolidated Financial Statements.

3. Securities held as of March 31, 2026 (excluding investments in subsidiaries, associates and joint ventures):

Unit: NT$ thousands

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				Notes
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Dyaco International Inc.	Limited Partnership–Changneng Capital Limited Partnership	-	Financial assets at fair value through profit or loss - current	-	52,306	- %	52,306	

4. Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

Unit: NT$ thousands

Purchaser (seller)	Related party	Relationship	Transaction				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
			Purchaser (seller)	Related party	Relationship	Purchaser (seller)	Unit Price	Credit period	Balance	Purchase (Sales)	
Dyaco International Inc.	FITNESS EQUIPMENT SERVICES, LLC	Indirect subsidiary	Sales	(206,724)	(30.55)%	Irregular payment	Agreements of Both parties	Irregular payment	857,629	45.96%	Note1
.	Spirit Manufacturing Inc.	Parent-subsidiary	Sales	(133,853)	(19.78)%	〃	〃	〃	419,982	22.51%	
	Shelton Corporation (Jiaxing), Ltd	Indirect subsidiary	Purchase	140,725	67.48%	〃	〃	〃	(602,413)	(67.68)%	Note1
FITNESS EQUIPMENTSERVICES, LLC	Dyaco International Inc.	Ultimate parent	Purchase	206,724	96.89%	〃	〃	〃	(857,629)	(58.46)%	
Spirit Manufacturing Inc.		Ultimate parent	Purchase	133,853	73.18%	〃	〃	〃	(419,982)	(78.16)%	
Shelton Corporation (Jiaxing), Ltd	.	Ultimate parent	Sales	(140,725)	(76.95)%	〃	〃	〃	602,413	82.47%	

Note 1:Amounts not included are receivables that exceed the normal credit period and have been reclassified as other receivables.

Note 2:The above transactions have already been offset during the preparation of the Consolidated Financial Statements.

5. Receivables from related parties with amounts exceeding NT$100 million or 20% of capital stock:

Unit: NT$ thousands

Company recorded as receivable	Related party	Relationship	Ending balance	Turnover Rate	Overdue receivables		Amount received in subsequent period	Loss allowance
					Amount	Collection status		
Dyaco International Inc.	FITNESS EQUIPMENT SERVICES, LLC	Second-tier subsidiary	857,629	0.26	Note 1,2	Note 1	99,824	Note 1,2
〃	Spirit Manufacturing Inc.	Parent-subsidiary	419,982	1.31	Note 1,2	Note 1	32,995	Note 1,2
Shelton Corporation (Jiaxing), Ltd.	Dyaco International Inc.	Ultimate parent	602,413	0.26	Note 1,2	Note 1	9,453	Note 1,2

Note 1: Other receivables include amounts arising from financing activities as well as amounts reclassified from accounts receivable that have exceeded the normal credit period for a certain period of time. The Company has reclassified accounts receivable from related parties that are overdue beyond the normal credit period to other receivables. Furthermore, in accordance with Article 14 of the Regulations Governing Loaning of Funds and Endorsements/Guarantees by Public Companies, the Company has obtained approval from the most recent meeting of the Board of Directors for the outstanding balance of loans extended and the actual amounts disbursed.

Note 2:The above transactions have already been offset during the preparation of the Consolidated Financial Statements.

6. Intercompany relationships and significant intercompany transactions:

Unit: NT$ thousands

No.	Company name	Counter Party	Relationships	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
0	Dyaco International Inc.	Spirit Direct, LLC.	1	Other receivables	92,665	Agreements of both parties	2%
〃	〃	Dyaco Japan Co., Ltd.	1	Other receivables	50,687	〃	1%
〃	〃	Spirit Manufacturing Inc.	1	Sales	133,853	〃	8%
〃	〃	〃	1	Accounts receivable	419,982	〃	7%
〃	〃	Dyaco Canada Inc.	1	Sales	53,534	〃	3%
〃	〃	Dyaco Europe GmbH	1	Accounts receivable	89,960	〃	2%
〃	〃	Dyaco UK Ltd.	1	Accounts receivable	120,508	〃	2%
〃	〃	〃	1	Other receivables	143,277	〃	3%
0	Dyaco International Inc.	Fitness Equipment Services LLC.	1	Sales	206,724	〃	13%
〃	〃	〃	1	Accounts receivable	857,629	〃	15%
〃	〃	〃	1	Other receivables	609,815	〃	11%
〃	〃	Cikayda Inc	1	Sales	77,669	〃	5%
〃	〃	〃	1	Accounts receivable	103,115	〃	2%
〃	〃	IUVO Industry Co., Ltd	1	Accounts receivable	55,566	〃	1%
1	Dyaco Europe GmbH	Cardio Fitness GmbH&Co.KG	3	Accounts receivable	80,647	〃	1%
2	Shelton Corporation (Jiaxing), Ltd.	Fuel-Spirit International Inc.	2	Sales	140,725	〃	9%
〃	〃	〃	2	Accounts receivable	602,413	〃	6%

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated separately in the number column. Companies are numbered as follows:
1. “0” represents the parent company
2. Subsidiaries are sequentially numbered from 1 by company.

Note 2: Transactions are categorized as follows： (if it is the same transaction between the parent and subsidiary or between subsidiaries, there is no need to repeat disclose. For example: transactions from the parent company to the subsidiary, if the parent company has disclosed, then the subsidiary does not need to disclose repeatedly; transactions from subsidiary to subsidiary, if one subsidiary has disclosed, then the other subsidiary does not need to disclose repeatedly):
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: If the transaction amounts are related to the balance sheet accounts, the percentages are those of the year-end balances to the consolidated total assets. If the transaction amounts are related to the income statement accounts, the percentages are the total amounts of the period to the consolidated total sales.

Note 4: The significant transactions in this table may be disclosed by the Corporation based on the principle of materiality.

(II) Information on investees:

Information of the Corporation's investment business is as follows (excluding invested companies in China):

Unit: NT$ thousands

Investor Company	Investee Company	Location	Main Businesses and Products	Initial Investment		Ending balance			Net income (loss) of investee company	Investment income (loss) recognized	Note
				End of the current period	End of the prior year	Number of Shares	%	Carrying Amount			
Dyaco International Inc.	Dyaco International Holding Limited	Hong Kong	Investment	399,194	399,194	12,615,463	100.00%	881,893	(9,479)	(9,479)	
Dyaco International Inc.	Dyaco Europe GmbH	Germany	Import, export and selling	545,860	545,860	-	100.00%	3,343	20,297	20,273	
Dyaco International Inc.	Daan Health Management Consulting Co., Ltd.	Taiwan	Rental of medical equipment	10,010	10,010	1,000,000	100.00%	8,595	(1)	(1)	
Dyaco International Inc.	Dyaco Japan Co., Ltd.	Japan	Import, export and selling	12,216	12,216	201,020	100.00%	(38,160)	(938)	(938)	
Dyaco International Inc.	Wing Long Co., Ltd.	Taiwan	Import, export and selling	25,000	25,000	2,500,000	100.00%	4,007	355	355	
Dyaco International Inc.	Dyaco UK Ltd.	United Kingdom	Import, export and selling	181,201	181,201	4,850,732	99.66%	11,715	(7,349)	(7,327)	
Dyaco International Inc.	SOLE INC.	United States	Investment	1,642,866	1,642,866	1,500	100.00%	173,207	9,630	3,788	
Dyaco International Inc.	President Plastic Productions MFG. Co., Ltd.	Taiwan	Rental of property	286,640	286,640	391,000	100.00%	288,164	(3)	(3)	
Dyaco International Inc.	Cikayda Inc. Global Technology (Stock) Company	Taiwan	Manufacturing and selling	100,000	60,000	6,000,000	100.00%	71,475	(10,622)	(10,622)	
Dyaco International Inc.	CITY SPORTS(THAILAND)CO., LTD	Thailand	Fitness equipment selling	12,450	12,450	176,000	44.00%	(13,154)	(3,814)	(1,727)	
Dyaco International Inc.	Spirit Manufacturing Inc.	United States	Import, export and selling	372,654	372,654	1,668	100.00%	414,146	(2,468)	(2,516)	
Dyaco International Inc.	Dyaco Canada Inc.	Canada	Import, export and selling	271,752	271,752	1,000	100.00%	271,595	6,781	7,587	
Dyaco International Inc.	Hongda Xin Projection Industry (Co., Ltd.)	Taiwan	Film and television industry investment	4,000	4,000	400,000	40.00%	3,522	(20)	(8)	
Dyaco International Inc.	Iuvo Industry Co., Ltd	Taiwan	Electric-assisted bicycle manufacturer	155,000	155,000	18,300,000	91.50%	53,875	(7,939)	(7,494)	
Dyaco International Inc.	DYACO (THAILAND) Co., Ltd.	Thailand	Manufacturing and selling	77,862	77,862	499,998	100.00%	79,785	(2)	(2)	
Dyaco International Holding Limited	Fuel-Spirit International Inc	Mauritius	Import, export and selling	78,095	78,095	5,848,450	100.00%	101,914	(3,940)	(3,940)	
Dyaco Europe GmbH.	CARDIOfitness GmbH & Co. KG	Germany	Import, export and selling	216,813	216,813	-	100.00%	(83,116)	(1,526)	(1,526)	
Dyaco Europe GmbH.	CARDIO fitness Verwaltungs GmbH	Germany	Investment	977	977	-	100.00%	865	(11)	(11)	
Dyaco UK Ltd.	Neutron Ventures Ltd	United Kingdom	Investment	194,673	194,673	308,070	100.00%	(43,521)	141	(1,277)	
Neutron Ventures Ltd	Interactive Online Commerce Ltd	United Kingdom	Investment	172,400	172,400	-	100.00%	(60,352)	-	-	
Neutron Ventures Ltd	Sweatband EU Ltd	Poland	Service industry	34	34	-	100.00%	480	141	141	
Interactive Online Commerce Ltd	Sweatband.com Ltd	United Kingdom	Sporting goods selling	171,386	171,386	-	100.00%	(994)	(1,004)	(1,004)	
Sole Inc.	Fitness Equipment Services, LLC	United States	Import, export and selling	63,262	63,262	-	100.00%	(449,285)	9,630	10,094	
Spirit Manufacturing Inc.	Spirit Direct, L.L.C.	United States	Import, export and selling	62,118	62,118	-	100.00%	(69,970)	(4,317)	(4,317)	

Note 1: The above equity investments belong to subsidiaries have already been offset during the preparation of Consolidated Financial Statements.

(III) Investment in Mainland China:

1. Information on any investee company in China, showing the name, principal business activities, etc.:

Unit: NT$ thousands

Investee Company	Main Businesses and Products	Total amount Paid-in Capital	Method of Investment	Accumulated outflow from Taiwan at beginning of period	Investment flows		Accumulated Outflow of investment from Taiwan as of March 31, 2026	Net income(Loss) of investee company	Percentage of Ownership (direct and indirect)	Investment Income (Loss) recognized	Carrying amount of investment as of the end of the period	Investment income remitted back as of the end of the period
					Outward	Inward						
Dyaco (Shanghai) Trading Co., Ltd.	Import, export and selling	94,893	Note 1	94,893	-	-	94,893	775	100.00%	775	156,530	-
Shelton Corporation (Jiaxing), Ltd.	Manufacturing and selling	594,663	Note 1	690,505	-	-	690,505	(7,088)	60.00%	(6,132)	628,382	-
Kerr (Shanghai) Rehabilitation Technology Development Co., Ltd.	Healthcare management consulting	13,886	Note 2	-	-	-	-	(111)	40.00%	(44)	2,456	-

Note 1: To invest in a company in China, the Corporation has established a company in a third area.
Note 2: The Corporation reinvests through the investee companies in China.

2. Limitation on investment in mainland China:

Accumulated amount of remittance from Taiwan to Mainland China	Investment Amounts Authorized by Investment Commission, MOEA	Ceiling on Investment in Mainland China Imposed by The Investment Commission of MOEA
785,398	785,398	-

Note: According to Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China announced by Ministry of Economic Affairs (MOEA), the Corporation is not subject to an upper limit due to obtaining supporting document for operation headquarters of the company issued by Industrial Development Bureau, MOEA.

3. Significant transactions with investee companies in China:
For significant direct or indirect transactions with the investee company in Mainland China during the three months ended March 31, 2026 (which have been eliminated in the preparation of the consolidated financial statements), please refer to Note XIII(I) “Significant Transactions” for further details.

XIV. Segment Information

The Group's operating segment information and reconciliation are as follows:

For Three Months Ended March 31, 2026	Asia (including domestic)	Americas	Europe	Adjustment/ Eliminations	Total
Revenue:					
Revenues from external customers	$ 251,058	1,135,215	251,997	-	1,638,270
Intersegment revenues	724,711	9,511	503	(734,725)	-
Total	$ 975,769	1,144,726	252,500	(734,725)	1,638,270
Segment income (loss) to be reported	$ 34,652	16,293	12,665	494	64,104
For Three Months Ended March 31, 2025					
Revenue:					
Revenues from external customers	$ 477,893	1,101,935	284,350	-	1,864,178
Intersegment revenues	827,463	10,819	19,710	(857,992)	-
Total	$ 1,305,356	1,112,754	304,060	(857,992)	1,864,178
Segment income (loss) to be reported	$ (88,602)	(91,108)	(54,659)	131,950	(102,419)
Segment assets to be reported					
March 31, 2026	$ 11,839,580	2,688,502	623,515	(4,974,559)	10,177,038
December 31, 2025	$ 11,458,529	2,764,793	580,190	(4,576,507)	10,227,005
March 31, 2025	$ 12,179,425	2,990,805	642,217	(4,968,809)	10,843,638
Segment liabilities to be reported					
March 31, 2026	$ 6,266,632	2,436,818	594,435	(3,665,053)	5,632,832
December 31, 2025	$ 5,994,854	2,527,288	563,976	(3,326,794)	5,759,324
March 31, 2025	$ 5,681,511	2,634,697	549,199	(3,326,174)	5,539,233