Walsin Lihwa Corporation and Subsidiaries

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

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Walsin Lihwa Corporation

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

The following are the key audit matters of the consolidated financial statements of the Group as of and for the year ended December 31, 2025:

Sales Revenue Recognition

In 2025, the sales revenue of the Group, of which a portion of the main products has a higher revenue proportion from specific customers, while the other portion of the main products relies on management's preparation of market price adjustment reports as the basis for revenue recognition, was significant to the net income for the year ended December 31, 2025. Therefore, the occurrence and accuracy were considered as a key audit matter, respectively. Refer to Notes 4 and 28 to the consolidated financial statements for related accounting policies and disclosures of information relating to revenue recognition.

Our audit procedures performed in respect of the above key audit matter were as follows:

1. We obtained an understanding of and tested the sales revenue recognition policy and internal control procedures over the sales and evaluated the effectiveness of relevant internal controls.

2. We obtained the sales details for specific customers and management reports for specific sales products, performed sampling and relevant audit procedures to verify that revenue transactions have occurred or been accurately calculated. In addition, we confirmed that the recognized amounts were consistent with those recorded in the general ledger.

Emphasis of Matter

As disclosed in Note 20, the Group acquired 65% and 100% interest in Com. Steel Inox S.p.A. and DMV GmbH on May 3 and November 1, 2024, respectively. The purchase price allocation report was finalized in 2025. Therefore, the initial accounting treatment and provisionally determined amounts from the acquisition date were adjusted and retrospectively restated for comparative periods. Our audit opinion is not modified in respect of this matter.

Other Matter

The financial statements of certain subsidiaries included in the consolidated financial statements as of and for the years ended December 31, 2025 and 2024 were audited by other auditors. Our opinion, insofar as it relates to such subsidiaries, is based solely on the reports of other auditors. The total assets of such subsidiaries amounted to NT$2,891,017 thousand and NT$42,264,599 thousand, which constituted 0.93% and 15.45% of the Group's consolidated total assets, as of December 31, 2025 and 2024, respectively, and the total net operating revenue of such subsidiaries amounted to NT$2,401,989 thousand and NT$32,309,110 thousand, which constituted 1.38% and 18.02% of the Group's consolidated total net operating revenue, for the years ended December 31, 2025 and 2024, respectively.

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audits resulting in this independent auditors' report are Wen-Yea Shyu and Ker-Chang Wu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2026

Notice to Readers

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

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

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025		2024 (Restated)	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 12,490,915	4	$ 10,757,417	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	474,129	-	5,677	-
Financial assets at amortized cost - current (Notes 4 and 8)	63,703	-	9,221	-
Financial assets for hedging - current (Notes 4 and 9)	1,733,945	1	238,305	-
Contract assets - current (Notes 4 and 10)	550,281	-	571,669	-
Notes receivable (Notes 4, 11 and 37)	176,746	-	526,699	-
Trade receivables (Notes 4, 11, 37 and 38)	15,645,713	5	14,967,386	6
Finance lease receivables - current (Notes 4, 12 and 38)	69,362	-	64,183	-
Other receivables (Note 37)	6,749,265	2	5,286,906	2
Inventories (Notes 4 and 13)	40,449,896	14	44,122,947	16
Other financial assets - current (Notes 6 and 38)	311,254	-	259,631	-
Other current assets (Note 22)	6,157,870	2	6,251,778	2
Total current assets	84,873,079	28	83,061,819	30
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	57,609	-	66,607	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 14)	28,005,285	9	18,640,109	7
Financial assets at amortized cost - non-current (Notes 4 and 8)	62,605	-	130,699	-
Financial assets for hedging - non-current (Notes 4 and 9)	7,606	-	24,956	-
Investments accounted for using the equity method (Notes 4 and 16)	53,095,511	17	39,848,673	15
Property, plant and equipment (Notes 4, 17 and 38)	90,426,751	30	84,592,885	31
Right-of-use assets (Notes 4, 18 and 38)	5,928,101	2	6,070,870	2
Investment properties (Notes 4, 19 and 38)	14,632,726	5	15,210,112	6
Goodwill (Notes 4 and 20)	3,061,216	1	2,964,780	1
Other intangible assets (Notes 4 and 21)	8,307,947	3	9,540,035	4
Deferred tax assets (Notes 4 and 30)	8,225,747	3	6,369,581	2
Refundable deposits (Notes 6 and 38)	473,122	-	785,147	-
Finance lease receivables - non-current (Notes 4, 12 and 38)	429,203	-	476,274	-
Other non-current assets (Notes 6, 22 and 38)	5,830,538	2	5,842,499	2
Total non-current assets	218,543,967	72	190,563,227	70
TOTAL	$ 303,417,046	100	$ 273,625,046	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 23)	$ 11,115,692	4	$ 17,909,079	7
Short-term notes and bills payable (Note 23)	-	-	3,145,773	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	1,671	-	356,596	-
Financial liabilities for hedging - current (Notes 4 and 9)	85,131	-	15,475	-
Contract liabilities - current	259,459	-	165,913	-
Notes payable	258,900	-	372,846	-
Trade payables (Note 37)	12,366,436	4	14,411,306	5
Other payables (Note 25)	12,242,147	4	12,047,108	5
Current tax liabilities (Notes 4 and 30)	2,024,898	1	2,545,752	1
Lease liabilities - current (Notes 4 and 18)	391,530	-	600,124	-
Current portion of long-term borrowings and bonds payable (Notes 23 and 24)	11,796,037	4	6,016,646	2
Other current liabilities (Note 33)	2,557,454	1	2,173,028	1
Total current liabilities	53,099,355	18	59,759,646	22
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Notes 4 and 7)	127,195	-	563,583	-
Financial liabilities for hedging - non-current (Notes 4 and 9)	5,327	-	827	-
Bonds payable (Note 24)	5,300,000	2	12,850,616	5
Long-term borrowings (Note 23)	50,945,488	17	37,358,178	14
Long-term notes and bills payable (Note 23)	1,999,212	1	-	-
Deferred tax liabilities (Notes 4 and 30)	6,317,192	2	6,878,607	2
Lease liabilities - non-current (Notes 4 and 18)	3,690,935	1	3,342,782	1
Net defined benefit liabilities - non-current (Notes 4 and 26)	1,102,369	-	1,121,785	-
Other non-current liabilities (Note 34)	4,732,705	1	4,281,556	2
Total non-current liabilities	74,220,423	24	66,397,934	24
Total liabilities	127,319,778	42	126,157,580	46
EQUITY ATTRIBUTABLE TO OWNERS OF WLC (Note 27)				
Share capital	44,313,329	15	40,313,329	15
Capital surplus	37,354,983	12	33,592,347	12
Retained earnings				
Legal reserve	10,345,438	3	10,065,084	3
Special reserve	2,712,250	1	2,712,250	1
Unappropriated earnings	47,318,225	16	46,175,938	17
Total retained earnings	60,375,913	20	58,953,272	21
Other equity				
Exchange differences on translation of the financial statement of foreign operations	(2,392,760)	(1)	(349,614)	-
Unrealized gain on financial assets at fair value through other comprehensive income	29,450,489	10	8,058,069	3
Loss on hedging instruments	(82,827)	-	(83,438)	-
Other equity - others	(3,165,893)	(1)	(3,235,079)	(1)
Total other equity	23,809,009	8	4,389,938	2
Total equity attributable to owners of WLC	165,853,234	55	137,248,886	50
NON-CONTROLLING INTERESTS	10,244,034	3	10,218,580	4
Total equity	176,097,268	58	147,467,466	54
TOTAL	$ 303,417,046	100	$ 273,625,046	100

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

(With Deloitte & Touche auditors' report dated February 26, 2026)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of U.S. Dollars)

	2025		2024 (Restated)	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 397,420	4	$ 342,266	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	15,085	-	181	-
Financial assets at amortized cost - current (Notes 4 and 8)	2,027	-	293	-
Financial assets for hedging - current (Notes 4 and 9)	55,168	1	7,582	-
Contract assets - current (Notes 4 and 10)	17,508	-	18,189	-
Notes receivable (Notes 4, 11 and 37)	5,623	-	16,758	-
Trade receivables (Notes 4, 11, 37 and 38)	497,796	5	476,213	6
Finance lease receivables - current (Notes 4, 12 and 38)	2,207	-	2,042	-
Other receivables (Note 37)	214,740	2	168,212	2
Inventories (Notes 4 and 13)	1,286,984	14	1,403,848	16
Other financial assets - current (Notes 6 and 38)	9,903	-	8,261	-
Other current assets (Note 22)	195,922	2	198,911	2
Total current assets	2,700,383	28	2,642,756	30
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,833	-	2,119	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 14)	891,037	9	593,067	7
Financial assets at amortized cost - non-current (Notes 4 and 8)	1,992	-	4,158	-
Financial assets for hedging - non-current (Notes 4 and 9)	242	-	794	-
Investments accounted for using the equity method (Notes 4 and 16)	1,689,326	17	1,267,855	15
Property, plant and equipment (Notes 4, 17 and 38)	2,877,084	30	2,691,469	31
Right-of-use assets (Notes 4, 18 and 38)	188,613	2	193,155	2
Investment properties (Notes 4, 19 and 38)	465,566	5	483,936	6
Goodwill (Notes 4 and 20)	97,398	1	94,330	1
Other intangible assets (Notes 4 and 21)	264,332	3	303,534	4
Deferred tax assets (Notes 4 and 30)	261,716	3	202,659	2
Refundable deposits (Notes 6 and 38)	15,053	-	24,981	-
Finance lease receivables - non-current (Notes 4, 12 and 38)	13,656	-	15,153	-
Other non-current assets (Notes 6, 22 and 38)	185,509	2	185,890	2
Total non-current assets	6,953,357	72	6,063,100	70
TOTAL	$ 9,653,740	100	$ 8,705,856	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 23)	$ 353,665	4	$ 569,808	7
Short-term notes and bills payable (Note 23)	-	-	100,088	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	53	-	11,346	-
Financial liabilities for hedging - current (Notes 4 and 9)	2,709	-	492	-
Contract liabilities - current	8,255	-	5,279	-
Notes payable	8,237	-	11,863	-
Trade payables (Note 37)	393,460	4	458,521	5
Other payables (Note 25)	389,505	4	383,300	5
Current tax liabilities (Notes 4 and 30)	64,426	1	80,998	1
Lease liabilities - current (Notes 4 and 18)	12,457	-	19,094	-
Current portion of long-term borrowings and bonds payable (Notes 23 and 24)	375,311	4	191,430	2
Other current liabilities (Note 33)	81,370	1	69,139	1
Total current liabilities	1,689,448	18	1,901,358	22
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Notes 4 and 7)	4,047	-	17,931	-
Financial liabilities for hedging - non-current (Notes 4 and 9)	169	-	26	-
Bonds payable (Note 24)	168,629	2	408,865	5
Long-term borrowings (Note 23)	1,620,919	17	1,188,615	14
Long-term notes and bills payable (Note 23)	63,608	1	-	-
Deferred tax liabilities (Notes 4 and 30)	200,992	2	218,855	2
Lease liabilities - non-current (Notes 4 and 18)	117,434	1	106,356	1
Net defined benefit liabilities - non-current (Notes 4 and 26)	35,074	-	35,692	-
Other non-current liabilities (Note 34)	150,580	1	136,224	2
Total non-current liabilities	2,361,452	24	2,112,564	24
Total liabilities	4,050,900	42	4,013,922	46
EQUITY ATTRIBUTABLE TO OWNERS OF WLC (Note 27)				
Share capital	1,409,905	15	1,282,639	15
Capital surplus	1,188,514	12	1,068,799	12
Retained earnings				
Legal reserve	329,158	3	320,238	3
Special reserve	86,295	1	86,295	1
Unappropriated earnings	1,505,511	16	1,469,168	17
Total retained earnings	1,920,964	20	1,875,701	21
Other equity				
Exchange differences on translation of the financial statement of foreign operations	(76,130)	(1)	(11,124)	-
Unrealized gain on financial assets at fair value through other comprehensive income	937,018	10	256,381	3
Loss on hedging instruments	(2,635)	-	(2,654)	-
Other equity - others	(100,728)	(1)	(102,930)	(1)
Total other equity	757,525	8	139,673	2
Total equity attributable to owners of WLC	5,276,908	55	4,366,812	50
NON-CONTROLLING INTERESTS	325,932	3	325,122	4
Total equity	5,602,840	58	4,691,934	54
TOTAL	$ 9,653,740	100	$ 8,705,856	100

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

(With Deloitte & Touche auditors' report dated February 26, 2026)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 28)	$ 174,242,895	100	$ 179,318,340	100
OPERATING COSTS (Note 13)	(163,149,909)	(94)	(167,501,026)	(94)
GROSS PROFIT	11,092,986	6	11,817,314	6
OPERATING EXPENSES				
Selling and marketing expenses	3,069,913	2	2,685,694	1
General and administrative expenses	7,563,404	4	6,351,493	4
Research and development expenses	440,818	-	499,304	-
Total operating expenses	11,074,135	6	9,536,491	5
PROFIT FROM OPERATIONS	18,851	-	2,280,823	1
NON-OPERATING INCOME AND EXPENSES				
Interest income	398,058	-	378,952	-
Dividend income	678,191	1	627,462	-
Other income	650,010	-	1,743,650	1
Loss on disposal of property, plant and equipment	(10,918)	-	(19,529)	-
Loss on disposal of investment properties	(2,913)	-	-	-
Gain on disposal of investments (Note 29)	526,392	-	1,167,085	1
Foreign exchange gain (loss), net	205,774	-	(39,658)	-
Gain (loss) on valuation of financial assets and liabilities at fair value through profit or loss	1,350,474	1	(1,553,838)	(1)
Other expenses	(1,543,527)	(1)	(532,029)	-
(Impairment loss) reversed of impairment loss (Note 29)	(1,030)	-	23,877	-
Interest expense	(2,333,637)	(1)	(2,359,450)	(1)
Share of profit of associates accounted for using the equity method	1,695,642	1	813,749	-
Total non-operating income and expenses	1,612,516	1	250,271	-
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,631,367	1	2,531,094	1
INCOME TAX BENEFIT (Notes 4 and 30)	708,049	-	53,287	-
NET PROFIT FOR THE YEAR	2,339,416	1	2,584,381	1

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WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ 57,607	-	$ 104,530	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	9,703,500	6	(190,882)	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	11,903,537	7	(5,728,242)	(3)
	21,664,644	13	(5,814,594)	(3)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(1,627,586)	(1)	5,021,957	3
Loss on hedging instruments	(15,439)	-	(23,602)	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(177,529)	-	347,407	-
	(1,820,554)	(1)	5,345,762	3
Other comprehensive income (loss) for the year	19,844,090	12	(468,832)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 22,183,506	13	$ 2,115,549	1
NET PROFIT ATTRIBUTABLE TO:				
Owners of WLC	$ 3,179,950	2	$ 2,783,634	1
Non-controlling interests	(840,534)	(1)	(199,253)	-
	$ 2,339,416	1	$ 2,584,381	1
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of WLC	$ 22,800,769	13	$ 1,549,689	1
Non-controlling interests	(617,263)	-	565,860	-
	$ 22,183,506	13	$ 2,115,549	1

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WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 31)				
Basic	$ 0.75		$ 0.69	
Diluted	$ 0.75		$ 0.69	

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

(With Deloitte & Touche auditors' report dated February 26, 2026) (Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of U.S. Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4 and 28)	$ 5,543,840	100	$ 5,705,324	100
OPERATING COSTS (Note 13)	(5,190,897)	(94)	(5,329,336)	(94)
GROSS PROFIT	352,943	6	375,988	6
OPERATING EXPENSES				
Selling and marketing expenses	97,675	2	85,450	1
General and administrative expenses	240,643	4	202,084	4
Research and development expenses	14,025	-	15,886	-
Total operating expenses	352,343	6	303,420	5
PROFIT FROM OPERATIONS	600	-	72,568	1
NON-OPERATING INCOME AND EXPENSES				
Interest income	12,665	-	12,057	-
Dividend income	21,578	1	19,964	-
Other income	20,681	-	55,477	1
Loss on disposal of property, plant and equipment	(347)	-	(621)	-
Loss on disposal of investment properties	(93)	-	-	-
Gain on disposal of investments (Note 29)	16,748	-	37,133	1
Foreign exchange loss, net	6,547	-	(1,262)	-
Gain (loss) on valuation of financial assets and liabilities at fair value through profit or loss	42,968	1	(49,438)	(1)
Other expenses	(49,110)	(1)	(16,927)	-
(Impairment loss) reversal of impairment loss (Note 29)	(33)	-	760	-
Interest expense	(74,249)	(1)	(75,070)	(1)
Share of profit of associates accounted for using the equity method	53,950	1	25,891	-
Total non-operating income and expenses	51,305	1	7,964	-
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	51,905	1	80,532	1
INCOME TAX BENEFIT (Notes 4 and 30)	22,528	-	1,695	-
NET PROFIT FOR THE YEAR	74,433	1	82,227	1

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of U.S. Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	$ 1,833	-	$ 3,326	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	308,734	6	(6,073)	-
Share of the other comprehensive income (loss) of associates accounted for using the equity method	378,731	7	(182,254)	(3)
	689,298	13	(185,001)	(3)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(51,784)	(1)	159,782	3
Loss on hedging instruments	(491)	-	(751)	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(5,649)	-	11,053	-
	(57,924)	(1)	170,084	3
Other comprehensive income (loss) for the year	631,374	12	(14,917)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 705,807	13	$ 67,310	1
NET PROFIT ATTRIBUTABLE TO:				
Owners of WLC	$ 101,176	2	$ 88,566	1
Non-controlling interests	(26,743)	(1)	(6,339)	-
	$ 74,433	1	$ 82,227	1
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of WLC	$ 725,446	13	$ 49,306	1
Non-controlling interests	(19,639)	-	18,004	-
	$ 705,807	13	$ 67,310	1

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of U.S. Dollars, Except Earnings Per Share)

	2025		2024 (Restated)	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 31)				
Basic	$ 0.02		$ 0.02	
Diluted	$ 0.02		$ 0.02	

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

(With Deloitte & Touche auditors' report dated February 26, 2026) (Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of WLC											
			Retained Earnings			Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statement of Foreign Operations	Unrealized Valuation (Loss) Gain on Financial Assets at Fair Value through Other Comprehensive Income	Loss on Hedging Instrument	Others	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2024	$ 40,313,329	$ 33,624,917	$ 9,538,222	$ 2,712,250	$ 48,285,234	$ (4,948,056)	$ 14,068,677	$ (65,100)	$ (2,774,650)	$ 140,754,823	$ 13,615,216	$ 154,370,039
Appropriation of 2023 earnings (Note 27)												
Legal reserve	-	-	526,862	-	(526,862)	-	-	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(4,434,466)	-	-	-	-	(4,434,466)	-	(4,434,466)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(5,294)	-	-	74,880	-	(74,880)	-	-	(5,294)	-	(5,294)
Changes in percentage of ownership interests in subsidiaries	-	(26,730)	-	-	(128,161)	-	-	-	(460,429)	(615,320)	26,730	(588,590)
Net profit (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	2,783,634	-	-	-	-	2,783,634	(199,253)	2,584,381
Other comprehensive income (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	121,679	4,598,442	(5,935,728)	(18,338)	-	(1,233,945)	765,113	(468,832)
Total comprehensive income (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	2,905,313	4,598,442	(5,935,728)	(18,338)	-	1,549,689	565,860	2,115,549
Others	-	(546)	-	-	-	-	-	-	-	(546)	-	(546)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(3,989,226)	(3,989,226)
BALANCE AT DECEMBER 31, 2024 (AS RESTATED)	40,313,329	33,592,347	10,065,084	2,712,250	46,175,938	(349,614)	8,058,069	(83,438)	(3,235,079)	137,248,886	10,218,580	147,467,466
Appropriation of 2024 earnings (Note 27)												
Legal reserve	-	-	280,354	-	(280,354)	-	-	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(2,015,666)	-	-	-	-	(2,015,666)	-	(2,015,666)
Changes in capital surplus from investments in associates accounted for using the equity method	-	92,848	-	-	(31,140)	-	18,563	-	69,186	149,457	-	149,457
Issuance of ordinary shares for cash	4,000,000	3,592,065	-	-	-	-	-	-	-	7,592,065	-	7,592,065
Share-based payments (Note 32)	-	66,800	-	-	-	-	-	-	-	66,800	-	66,800
Disposal of equity instrument measured at fair value through other comprehensive income	-	-	-	-	229,711	-	(229,711)	-	-	-	-	-
Net profit (loss) for the year ended December 31, 2025	-	-	-	-	3,179,950	-	-	-	-	3,179,950	(840,534)	2,339,416
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	59,786	(2,043,146)	21,603,568	611	-	19,620,819	223,271	19,844,090
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	3,239,736	(2,043,146)	21,603,568	611	-	22,800,769	(617,263)	22,183,506
Others	-	10,923	-	-	-	-	-	-	-	10,923	-	10,923
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	642,717	642,717
BALANCE AT DECEMBER 31, 2025	$ 44,313,329	$ 37,354,983	$ 10,345,438	$ 2,712,250	$ 47,318,225	$ (2,392,760)	$ 29,450,489	$ (82,827)	$ (3,165,893)	$ 165,853,234	$ 10,244,034	$ 176,097,268

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

(With Deloitte & Touche auditors' report dated February 26, 2026)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of WLC											
			Retained Earnings			Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statement of Foreign Operations	Unrealized Valuation (Loss) Gain on Financial Assets at Fair Value through Other Comprehensive Income	Loss on Hedging Instrument	Others	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2024	$ 1,282,639	$ 1,069,835	$ 303,475	$ 86,295	$ 1,536,279	$ (157,431)	$ 447,619	$ (2,071)	$ (88,280)	$ 4,478,360	$ 433,192	$ 4,911,552
Appropriation of 2023 earnings (Note 27)												
Legal reserve	-	-	16,763	-	(16,763)	-	-	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(141,090)	-	-	-	-	(141,090)	-	(141,090)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(169)	-	-	2,383	-	(2,383)	-	-	(169)	-	(169)
Changes in percentage of ownership interests in subsidiaries	-	(850)	-	-	(4,078)	-	-	-	(14,650)	(19,578)	850	(18,728)
Net profit (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	88,566	-	-	-	-	88,566	(6,339)	82,227
Other comprehensive income (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	3,871	146,307	(188,855)	(583)	-	(39,260)	24,343	(14,917)
Total comprehensive income (loss) for the year ended December 31, 2024 (as restated)	-	-	-	-	92,437	146,307	(188,855)	(583)	-	49,306	18,004	67,310
Others	-	(17)	-	-	-	-	-	-	-	(17)	-	(17)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(126,924)	(126,924)
BALANCE AT DECEMBER 31, 2024 (AS RESTATED)	1,282,639	1,068,799	320,238	86,295	1,469,168	(11,124)	256,381	(2,654)	(102,930)	4,366,812	325,122	4,691,934
Appropriation of 2024 earnings (Note 27)												
Legal reserve	-	-	8,920	-	(8,920)	-	-	-	-	-	-	-
Cash dividends distributed by WLC	-	-	-	-	(64,132)	-	-	-	-	(64,132)	-	(64,132)
Changes in capital surplus from investments in associates accounted for using the equity method	-	2,954	-	-	(992)	-	591	-	2,202	4,755	-	4,755
Issuance of ordinary shares for cash	127,266	114,288	-	-	-	-	-	-	-	241,554	-	241,554
Share-based payments (Note 32)	-	2,125	-	-	-	-	-	-	-	2,125	-	2,125
Disposal of equity instrument measured at fair value through other comprehensive income	-	-	-	-	7,309	-	(7,309)	-	-	-	-	-
Net profit (loss) for the year ended December 31, 2025	-	-	-	-	101,176	-	-	-	-	101,176	(26,743)	74,433
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,902	(65,006)	687,355	19	-	624,270	7,104	631,374
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	103,078	(65,006)	687,355	19	-	725,446	(19,639)	705,807
Others	-	348	-	-	-	-	-	-	-	348	-	348
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,449	20,449
BALANCE AT DECEMBER 31, 2025	$ 1,409,905	$ 1,188,514	$ 329,158	$ 86,295	$ 1,505,511	$ (76,130)	$ 937,018	$ (2,635)	$ (100,728)	$ 5,276,908	$ 325,932	$ 5,602,840

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

(With Deloitte & Touche auditors' report dated February 26, 2026)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,631,367	$ 2,531,094
Adjustments for:		
Depreciation expenses	7,496,526	8,203,918
Amortization expenses	1,193,664	1,466,521
Expected credit reversed recognized on trade receivables	(77,719)	(41,647)
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(1,350,474)	1,553,838
Interest expenses	2,333,637	2,359,450
Interest income	(398,058)	(378,952)
Dividend income	(678,191)	(627,462)
Compensation costs of employee share options	66,800	-
Share of profit of associates accounted for using the equity method	(1,695,642)	(813,749)
Loss on disposal of property, plant and equipment	10,918	19,529
Loss on disposal of investment properties	2,913	-
Loss on disposal of intangible assets	101	-
Gain on disposal of investments	(526,392)	(1,167,085)
Impairment loss (reversed) recognized on non-financial assets	1,030	(23,877)
Unrealized gain on foreign currency exchange	(239,376)	(163,010)
Gain from bargain purchase	-	(976,530)
Loss on lease modification	30,701	-
Changes in operating assets and liabilities		
Decrease in financial assets mandatorily classified as at fair value through profit or loss	376,373	821,194
Decrease in contract assets	21,388	424,356
Decrease in notes receivable	349,953	438,152
(Increase) decrease in trade receivables	(600,608)	4,025,373
Increase in other receivables	(923,138)	(1,641,471)
Decrease (increase)in inventories	3,673,051	(3,461,481)
Decrease (increase) in other current assets	224,807	(598,761)
(Increase) decrease in other financial assets	(51,623)	529,263
Decrease (increase) in other operating assets	143,168	(278,913)
Increase in contract liabilities	80,677	152,740
Decrease in notes payable	(113,946)	(187,443)
Decrease in trade payables	(2,045,049)	(5,004,163)
(Decrease) increase in other payables	(639,381)	908,968
Increase in other current liabilities	198,461	12,806
Decrease in net defined benefit liabilities	(19,416)	(148,916)
Increase in other operating liabilities	16,165	171,992
Cash generated from operations	8,492,687	8,105,734
Interest received	190,304	328,981
Dividends received	951,719	945,662
Interest paid	(2,325,013)	(2,236,700)
Income tax paid	(2,039,957)	(5,641,939)
Net cash generated from operating activities	5,269,740	1,501,738

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	$ 300,624	$ -
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	51,003
Purchase of financial assets at amortized cost	(478)	(8,642)
Disposal of financial assets at amortized cost	9,007	65,061
Purchase of financial assets for hedging	-	(3,929)
Disposal of financial assets for hedging	105,801	-
Purchase of investments accounted for using the equity method	(442,403)	(1,672,137)
Disposal of investments accounted for using the equity method	173,865	5,036,187
Net cash inflow (outflow) on acquisition of subsidiaries	271,793	(5,374,912)
Payments for property, plant and equipment	(11,820,962)	(10,422,305)
Proceeds from disposal of property, plant and equipment	10,796	104,678
Proceeds from disposal of investment properties	25	-
Decrease (increase) in refundable deposits	364,121	(619,266)
Purchase of intangible assets	(104,512)	(49,210)
Purchase of investment properties	(14,025)	(13,578)
Other investing activities	(164,625)	(2,642,816)
Net cash used in investing activities	(11,310,973)	(15,549,866)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(6,873,132)	5,118,344
(Decrease) increase in short-term notes and bills payable	(3,145,773)	3,145,773
Repayment of bonds	-	(103,182)
Proceeds from long-term borrowings	22,200,013	12,116,154
Repayment of long-term borrowings	(10,509,131)	(2,334,396)
Increase (decrease) in long-term notes and bills payable	1,999,212	(2,998,822)
Decrease in other payables	-	(944,037)
Repayment of the principal portion of lease liabilities	(514,879)	(343,061)
Cash dividends paid	(2,015,565)	(4,434,237)
Proceeds from issuance of ordinary shares	7,592,065	-
Acquisition of additional interests in subsidiaries	-	(3,111,343)
Changes in non-controlling interests	251,984	77,172
Other financing activities	10,923	(546)
Net cash generated from financing activities	8,995,717	6,187,819
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	272,386	2,155,297

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 3,226,870	$ (5,705,012)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	10,988,441	16,693,453
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 14,215,311	$ 10,988,441

	December 31	
	2025	2024
Cash and cash equivalents in the consolidated balance sheets	$ 12,490,915	$ 10,757,417
Cash and cash equivalents included in financial assets for hedging	1,724,396	231,024
Cash and cash equivalents in the statements of cash flows	$ 14,215,311	$ 10,988,441

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

(With Deloitte & Touche auditors' report dated February 26, 2026) (Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 51,905	$ 80,532
Adjustments for:		
Depreciation expenses	238,515	261,022
Amortization expenses	37,978	46,660
Expected credit reversed recognized on trade receivables	(2,473)	(1,325)
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(42,968)	49,438
Interest expenses	74,249	75,070
Interest income	(12,665)	(12,057)
Dividend income	(21,578)	(19,964)
Compensation costs of employee share options	2,125	-
Share of profit of associates accounted for using the equity method	(53,950)	(25,891)
Loss on disposal of property, plant and equipment	347	621
Loss on disposal of investment properties	93	-
Loss on disposal of intangible assets	3	-
Gain on disposal of investments	(16,748)	(37,133)
Impairment loss (reversed) recognized on non-financial assets	33	(760)
Unrealized gain on foreign currency exchange	(7,616)	(5,186)
Gain from bargain purchase	-	(31,070)
Loss on lease modification	977	-
Changes in operating assets and liabilities		
Decrease in financial assets mandatorily classified as at fair value through profit or loss	11,975	26,128
Decrease in contract assets	680	13,502
Decrease in notes receivable	11,134	13,941
(Increase) decrease in trade receivables	(19,109)	128,074
Increase in other receivables	(29,371)	(52,226)
Decrease (increase) in inventories	116,864	(110,133)
Decrease (increase) in other current assets	7,153	(19,051)
(Increase) decrease in other financial assets	(1,642)	16,839
Decrease (increase) in other operating assets	4,555	(8,874)
Increase in contract liabilities	2,567	4,860
Decrease in notes payable	(3,625)	(5,964)
Decrease in trade payables	(65,067)	(159,216)
(Decrease) increase in other payables	(20,343)	28,920
Increase in other current liabilities	6,314	407
Decrease in net defined benefit liabilities	(618)	(4,738)
Increase in other operating liabilities	514	5,472
Cash generated from operations	270,208	257,898
Interest received	6,055	10,467
Dividends received	30,281	30,088
Interest paid	(73,974)	(71,164)
Income tax paid	(64,905)	(179,508)
Net cash generated from operating activities	167,665	47,781

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	$ 9,565	$ -
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	1,623
Purchase of financial assets at amortized cost	(15)	(275)
Disposal of financial assets at amortized cost	287	2,070
Purchase of financial assets for hedging	-	(125)
Disposal of financial assets for hedging	3,366	-
Purchase of investments accounted for using the equity method	(14,076)	(53,202)
Disposal of investments accounted for using the equity method	5,532	160,235
Net cash inflow (outflow) on acquisition of subsidiaries	8,648	(171,012)
Payments for property, plant and equipment	(376,104)	(331,604)
Proceeds from disposal of property, plant and equipment	343	3,331
Proceeds from disposal of investment properties	1	-
Decrease (increase) in refundable deposits	11,585	(19,703)
Purchase of intangible assets	(3,325)	(1,566)
Purchase of investment properties	(446)	(432)
Other investing activities	(5,238)	(84,086)
Net cash used in investing activities	(359,877)	(494,746)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(218,681)	162,849
(Decrease) increase in short-term notes and bills payable	(100,088)	100,088
Repayment of bonds	-	(3,283)
Proceeds from long-term borrowings	706,332	385,496
Repayment of long-term borrowings	(334,366)	(74,273)
Increase (decrease) in long-term notes and bills payable	63,608	(95,413)
Decrease in other payables	-	(30,036)
Repayment of the principal portion of lease liabilities	(16,382)	(10,915)
Cash dividends paid	(64,129)	(141,083)
Proceeds from issuance of ordinary shares	241,555	-
Acquisition of additional interests in subsidiaries	-	(98,993)
Changes in non-controlling interests	8,017	2,455
Other financing activities	348	(17)
Net cash generated from financing activities	286,214	196,875
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	8,667	68,575

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

	2025	2024 (Restated)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 102,669	$ (181,515)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	349,616	531,131
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 452,285	$ 349,616

	December 31	
	2025	2024
Cash and cash equivalents in the consolidated balance sheets	$ 397,420	$ 342,266
Cash and cash equivalents included in financial assets for hedging	54,865	7,350
Cash and cash equivalents in the statements of cash flows	$ 452,285	$ 349,616

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

(With Deloitte & Touche auditors' report dated February 26, 2026) (Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Walsin Lihwa Corporation (WLC) was incorporated in December 1966 and commenced operations in December 1966. To diversify its operations, WLC made various investments in construction, electronics, material science, real estate, etc. WLC's main products are wires, cables, stainless steel, resource business and real estate.

WLC's shares have been listed on the Taiwan Stock Exchange (TWSE) since November 1972. In October 1995, November 2010 and June 2023, WLC increased its share capital and issued Global Depositary Receipts (GDRs), which were listed on the Luxembourg Stock Exchange.

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

2. APPROVAL OF FINANCIAL STATE

The consolidated financial statements of WLC and its subsidiaries (collectively, the "Group") were approved by the board of directors of WLC on February 26, 2026.

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

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

   Amendments to IAS 21 "Lack of Exchangeability"

   The initial application of the Amendments to IAS 21 "Lack of Exchangeability" did not have a material impact on the Group's accounting policies.

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

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

1) Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

   a) The amendments to the application guidance of classification of financial assets

      The amendments mainly amend the requirements for the classification of financial assets, including:

      i. If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

         - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

         - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

      ii. To clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

      iii. To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

   b) The amendments to the application guidance of derecognition of financial liabilities

      The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

      - The Group having no practical ability to withdraw, stop or cancel the payment instruction;

      - The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

      - The settlement risk associated with the electronic payment system being insignificant.

   An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

2) Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions. Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity. When the Group enters into contracts to buy nature-dependent electricity, which exposes the Group to the risk that it would be required to buy electricity during a delivery interval in which the Group cannot use the electricity, and the design and operation of the electricity market require any amounts of unused electricity to be sold within a specified time, the amendments stipulate that such sales are not necessarily inconsistent with the contract being held in accordance with the Group’s expected usage requirements. The inconsistency will result in the contract being accounted for as financial instruments otherwise. The Group entered into and continues to hold such a contract in accordance with its expected electricity usage requirements, if the Group has bought, and expects to buy, sufficient electricity to offset the sales of any unused electricity in the same market in which it sold the electricity over a reasonable amount of time.

The amendments also stipulate that, if contracts referencing nature-dependent electricity are designated as hedging instruments in hedges of forecast transactions, for such a hedging relationship the Group is permitted to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility as referenced in the hedging instrument.

For the amendments related to whether contracts referencing nature-dependent electricity are entered into in accordance with expected electricity usage requirements, the Group shall apply retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. For the amendments related to hedge accounting, the Group shall apply prospectively.

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

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

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

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

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

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

   The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

   Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

2) IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

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

   - To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.

   - The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

   - Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.

   - Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

   - The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basic of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

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

Current assets include:

- Assets held primarily for the purpose of trading;

- Assets expected to be realized within 12 months after the reporting period; and

- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

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

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

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of WLC and the entities controlled by WLC.

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

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Total comprehensive income of subsidiaries is attributed to the owners of WLC and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Refer to Note 15, Table 6 and Table 7 for the percentage of ownership, main businesses and details of the subsidiaries.

e. Business combinations

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

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gains on bargain purchases. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. The measurement period does not exceed 1 year from the acquisition date. Contingent consideration is remeasured at fair value at the end of subsequent reporting period with any gain or loss recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized on the same basis as would be required had those interests been directly disposed of by the Group.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

When the Group acquires a subsidiary that does not constitute a business, the Group will identify and recognize the individual identifiable assets acquired (including intangible assets) and liabilities assumed, and then allocate the transaction price to the individual identifiable assets and liabilities. When allocating the transaction price, first, any identifiable assets or liabilities initially measured at an amount other than cost are initially measured at the amount specified in the applicable IFRS standards. Then the amounts of the assets and liabilities determined according to the applicable IFRS standards are deducted from the transaction price; the residual transaction price is then allocated to the remaining identifiable assets and liabilities (i.e., assets and liabilities initially measured at cost) based on their relative fair values at the date of the acquisition.

f. Foreign currencies

In preparing the financial statements of each individual company entity, transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

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

For the purpose of presenting consolidated financial statements, the financial statements of the Group's foreign operations (including subsidiaries and associates in other countries) that are prepared using functional currencies which are different from the currency of WLC are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of WLC and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

g. Inventories

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

Inventories in the construction industry include construction land and work in progress, which are accounted for on the basis of acquisition cost or construction cost, and the cost is calculated separately for each project. Interest expenses incurred before the completion of the project are capitalized as part of its construction cost.

h. Investment in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

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

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

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

When the Group’s share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

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

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment’s fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

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

i. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

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

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of owner-occupation.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of the property for subsequent accounting is its carrying amount at the end of owner-occupation.

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

k Goodwill

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

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

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

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

l. Intangible assets

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

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

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

m. Impairment of property, plant and equipment, right-of-use asset, investment properties, intangible assets other than goodwill and assets related to contract costs

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

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

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

n. Financial instruments

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

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

Financial assets

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

1) Measurement categories

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

   a) Financial assets at FVTPL

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

      Financial assets at FVTPL are subsequently measured at fair value, and any remeasurement gains or losses are recognized in other gains or losses. Fair value is determined in the manner described in Note 36.

   b) Financial assets at amortized cost

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

      i. The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

      ii. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

      i. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

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

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition or time deposits with original maturities within 3-12 months from the date of acquisition and the interest earned upon early withdrawal exceeds that of regular saving accounts, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

Bank balances used by the Group that are subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance that no longer meets the definition of cash. Contractual restrictions affecting the use of bank balances are disclosed in Note 6. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

c) Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

2) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), investments in debt instruments that are measured at FVTOCI, operating lease receivable, finance lease receivables, as well as contract assets.

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

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

For internal credit risk management purposes, the Group considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Group):

a) Internal or external information shows that the debtor is unlikely to pay its creditors.

b) Financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

3) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

Equity instruments

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

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

Financial liabilities

1) Subsequent measurement

Except the following situation, all the financial liabilities are measured at amortized cost using the effective interest method:

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designated as at FVTPL.

Financial liabilities held for trading are stated at fair value, and any remeasurement gains or losses are recognized in other gains or losses. Fair value is determined in the manner described in Note 36.

b) Financial guarantee contracts

Financial guarantee contracts issued by the Group, if not designated as at FVTPL, are subsequently measured at the higher of:

i. The amount of the loss allowance reflecting expected credit losses; and

ii. The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the revenue recognition policies.

2) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

o. Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

1) Fair value hedges

Gain or losses on derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised.

2) Cash flow hedges

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustment in the line item relating to the hedged item in the same period when the hedged item affects profit or loss. If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that has been previously recognized in other comprehensive income (from the period when the hedge was effective) remains separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

p. Levies

Levies imposed by a government are accrued as other liabilities when the transactions or activities that trigger the payment of such levies occur. If the obligating event occurs over a period of time, the liability is recognized progressively. If an obligation to pay a levy is triggered upon reaching a minimum threshold, the liability is recognized when that minimum threshold is reached.

q. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle the obligation and the amount of the obligation can be measured reliably.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date, when the fair value of the present obligation resulting from past events can be reliably measured. At the end of subsequent reporting periods, such contingent liabilities are measured at their amortized amount. However, if the present obligation amount is assessed to have a probable outflow of resources, the contingent liabilities shall be measured at the higher of the present obligation amount and the amortized amount.

r. Revenue recognition

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

1) Revenue from the sale of goods and real estate

Revenue from the sale of goods and real estate comes from sales of wires, cables, stainless steel and real estate. Sales of wires, cables and stainless steel are recognized as revenue when the customer has full discretion over the manner of distribution and the price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

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

For contracts to sell properties in the ordinary course of business, the fixed transaction price is received in instalments and recognized as a contract liability. The transaction price, after adjusting for the effect of the significant financing component, is recognized as revenue when the construction is completed, and the property is transferred to the buyer.

2) Revenue from the others

a) Revenue from the rendering of services

Revenue from the rendering of services is recognized when services are rendered. Revenue generated from services provided under the contract is recognized according to the completion of the contract.

b) Construction contract revenue

Contract assets are recognized during the construction and are reclassified to trade receivables at the point at which the customer is invoiced. If the milestone payment exceeds the revenue recognized to date, then the Group recognizes a contract liability for the difference. Certain payments, which are retained by the customer as specified in the contract, are intended to ensure that the Group adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations.

When the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognized only to the extent of contract costs incurred in satisfying the performance obligation for which recovery is expected.

s. Leases

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

1) The Group as lessor

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

Under finance leases, the lease payments comprise fixed payments and variable lease payments which depend on an index or a rate. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group’s net investment outstanding in respect of leases.

Lease payments less any lease incentives payable from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Group as lessee

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

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

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

t. Government grants

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

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

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

The benefit of a government loan received at a below-market rate of interest is treated as a government grant measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

u. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

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

v. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. If a temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences, the resulting deferred tax asset or liability is not recognized. In addition, a deferred tax liability is not recognized on taxable temporary differences arising from the initial recognition of goodwill.

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

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

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

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

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

3) Current and deferred taxes

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

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group review the estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revisions and future years if the revision affects both current and future years.

Material Accounting Judgements

a. Depreciation method of property, plant and equipment and amortization method of intangible assets

The depreciation and amortization methods for machinery and equipment, and intangible assets within the Resource segment entities were changed from the accelerated depreciation method to the straight-line method, starting from January 1, 2025, with the effect of any changes in the estimates accounted for on a prospective basis.

Considering the current utilization status, anticipated future economic benefits, and consumption patterns of machinery and equipment, and intangible assets, the Group has assessed that adopting the straight-line basis will more faithfully and reasonably reflect the assets’ economic benefits. The change in accounting estimates decreased depreciation expenses and amortization expenses for the year ended December 31, 2025 by NT$1,131,450 thousand and NT$188,976 thousand, respectively.

b. Carbon fees

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the management recognizes the carbon fee provision based on the estimate of the chargeable emissions, the preferential rate and the emission adjustment coefficient. The estimate may vary as a result of the change in the estimated possibility in the approval for the recognition as belonging to the industry with high carbon leakage risk from the competent authority, and the result of its implementation of the self-determined reduction plan and the achievement of the designated target. Therefore, the estimated amount of provision is subject to a higher degree of estimation uncertainties. The carrying amount of the carbon fee provision as of December 31, 2025 is disclosed in Note 25.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	**2024**
Cash on hand	$ 2,949	$ 63,362
Checking accounts and cash in banks	11,227,083	9,705,904
Cash equivalents		
Time deposits	1,149,124	877,033
Short-term bills	111,759	111,118
	$ 12,490,915	$ 10,757,417

The market rate intervals of cash in the bank at the end of the year were as follows (except for the checking accounts' interest rate of 0.00%):

	December 31	
	2025	**2024**
Bank balance	0.01%-3.75%	0.001%-2.60%
Time deposits	0.41%-3.50%	0.01%-4.39%
Short-term bills	0.70%	0.65%-0.66%

Other bank deposits have been reclassified to other accounts for the following purposes:

		December 31	
	Purpose	**2025**	**2024**
Other financial assets - current			
Restricted deposits	To meet contract requirements for completing construction	$ 12,282	$ 54,126
	To secure short-term borrowings and letters of credit	118,687	192,668
Refundable deposits	Futures deposits	10,235	12,837
		141,204	259,631
Refundable deposits			
Other - pledged time deposits	To meet contract requirements for completing construction	57,795	52,537
Other non-current assets - other			
Pledged time deposits	To meet required security deposit	1,505	1,562
		59,300	54,099
		$ 200,504	$ 313,730

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31 2025	December 31 2024
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	$ 17,794	$ -
Commodity futures contracts	456,335	-
Exchange rate swap contracts	-	5,677
Non-derivative financial assets		
Foreign unlisted shares	57,609	66,607
Financial assets at FVTPL	$ 531,738	$ 72,284
Current	$ 474,129	$ 5,677
Non-current	57,609	66,607
	$ 531,738	$ 72,284
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Commodity futures contracts	$ -	$ 322,273
Foreign exchange forward contracts	-	34,323
Exchange rate swap contracts	1,671	-
Non-derivative financial liabilities		
Contingent consideration	127,195	563,583
Financial liabilities at FVTPL	$ 128,866	$ 920,179
Current	$ 1,671	$ 356,596
Non-current	127,195	563,583
	$ 128,866	$ 920,179

a. As of December 31, 2025 and 2024, outstanding commodity futures not under hedge accounting were as follows:

	Type of Transaction	Quantity (Tons)	Trade Date	Maturity Date	Exercise Price (In Thousands)	Market Price (In Thousands)	Valuation Gain (Loss) (In Thousands)
December 31, 2025							
Commodity futures contracts							
Copper	Buy	3,975	2025.03.31-2025.12.31	2026.02.18-2026.05.20	US$ 43,327	US$ 49,687	US$ 6,360
Copper	Buy	4,295	2025.02.24-2025.12.30	2026.02.01-2026.12.01	RMB 343,734	RMB 423,767	RMB 80,033
Copper	Sell	2,649	2025.10.20-2025.12.31	2026.01.20-2026.03.31	US$ 34,175	US$ 36,330	US$ (2,115)
Nickel	Sell	972	2025.12.19-2025.12.30	2026.03.19-2026.03.30	US$ 15,217	US$ 16,290	US$ (1,073)

(Continued)

	Type of Transaction	Quantity (Tons)	Trade Date	Maturity Date	Exercise Price (In Thousands)	Market Price (In Thousands)	Valuation Gain (Loss) (In Thousands)
December 31, 2024							
Commodity futures contracts							
Copper	Buy	15,677	2024.05.31-2024.12.31	2025.01.09-2025.08.20	US$ 145,699	US$ 136,756	US$ (8,943)
Copper	Buy	5,000	2024.12.13-2024.12.18	2025.01.31-2025.06.30	RMB 373,691	RMB 369,544	RMB (4,147)
Copper	Sell	1,475	2024.12.10-2024.12.31	2025.01.15	US$ 13,222	US$ 12,820	US$ 402
Nickel	Buy	1,290	2024.10.22-2024.12.19	2025.01.22-2025.03.19	US$ 20,338	US$ 19,626	US$ (712)

(Concluded)

b. As of December 31, 2025 and 2024, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2025			
Sell	USD to IDR	2026.02.06-2026.02.26	USD49,000/IDR819,651,000
	EUR to MYR	2026.01.07-2026.05.13	EUR1,040/MYR5,123
	SGD to RMB	2026.12.22	SGD17,565/RMB95,815
	EUR to USD	2026.01.16-2026.02.26	EUR6,724/USD7,894
	USD to NTD	2026.01.22-2026.02.24	USD44,500/NTD1,405,644
	USD to RMB	2026.01.05-2026.01.30	USD30,000/RMB210,903
Buy	USD to JPY	2026.03.19	USD1,058/JPY162,233
	USD to IDR	2026.02.06-2026.03.13	USD86,000/IDR1,438,358,000
	EUR to GBP	2026.02.27-2026.03.31	EUR2,951/GBP2,600
	EUR to BRL	2026.02.19-2026.04.22	EUR2,570/BRL16,870
December 31, 2024			
Sell	EUR to USD	2025.01.16-2025.02.18	EUR21,442/USD22,529
	EUR to MYR	2025.01.08-2025.05.30	EUR1,920/MYR9,023
	USD to IDR	2025.01.06-2025.03.20	USD53,551/IDR847,599,840
Buy	USD to IDR	2025.01.02-2025.01.17	USD67,000/IDR1,071,372,000
	USD to JPY	2025.01.14	USD4,000/JPY605,400
	EUR to USD	2025.01.31-2025.09.30	EUR18,242/USD20,045
	EUR to BRL	2025.01.16-2025.03.21	EUR2,638/BRL16,570
	EUR to GBP	2025.01.29-2025.02.26	EUR5,515/GBP4,610
	EUR to SEK	2025.01.31-2025.03.28	EUR11,211/SEK128,250
	SEK to USD	2025.01.31	SEK8,624/USD800
	SEK to GBP	2025.02.28	SEK3,432/GBP250
	SEK to EUR	2025.01.31-2025.02.28	SEK22,967/EUR2,000

c. As of December 31, 2025 and 2024, outstanding exchange rate swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2025	USD to NTD	2026.01.02-2026.01.26	USD12,500/NTD391,165
December 31, 2024	USD to RMB	2025.04.02	USD10,972/RMB800,000
	USD to IDR	2025.01.06-2025.03.20	USD43,551/IDR689,109,840
	EUR to GBP	2025.01.08	EUR13,194/GBP11,030
	EUR to USD	2025.01.30-2025.02.27	EUR1,472/USD1,535

d. For the years ended December 31, 2025 and 2024, the Group's strategies for commodity futures contracts, foreign exchange forward contracts and exchange rate swap contracts were to hedge exposures to fluctuations in the prices of raw material, foreign exchange rates and interest rates. However, those derivative financial instruments did not meet the criteria of hedge effectiveness; therefore, they were not accounted for hedge accounting.

e. Financial liabilities - contingent consideration: According to the agreement of acquisition, the Group is required to make additional payments to the seller if Cogne Acciai Speciali S.p.A. and Com. Steel Inox S.p.A. earnings before interest, income tax, depreciation and amortization from the settlement date to 2025 and 2026 meet the contract requirements, respectively. As of December 31, 2025, the Group assessed the fair value of the contingent consideration related to Cogne Acciai Speciali S.p.A. and Com. Steel Inox S.P.A. were NT$0 thousand and NT$127,195 thousand, respectively.

8. FINANCIAL ASSETS AT AMORTIZED COST

	December 31 2025	December 31 2024
Current		
Foreign investments		
Corporate bonds	$ 339	$ 15
Mutual funds	501	715
Government bonds	62,863	8,491
	$ 63,703	$ 9,221
Non-current		
Foreign investments		
Government bonds	$ 62,605	$ 130,699

The interest rates for the government bonds the Group purchased were 4.35%-4.75% and 0.5%-4.75% as of December 31, 2025 and 2024, respectively.

9. FINANCIAL INSTRUMENTS FOR HEDGING

	December 31	
	2025	2024
Financial assets		
Cash flow hedges - hedged foreign currency deposits	$ 1,724,396	$ 231,024
Cash flow hedges - interest rate swap contracts	7,606	16,663
Cash flow hedges - exchange rate swap contracts	2,106	-
Cash flow hedges - gas and electricity swap contracts	-	15,574
Cash flow hedges - nickel swap contracts	7,443	-
	$ 1,741,551	$ 263,261
Current	$ 1,733,945	$ 238,305
Non-current	7,606	24,956
	$ 1,741,551	$ 263,261
Financial liabilities		
Cash flow hedges - foreign exchange forward contracts	$ 17,504	$ 10,546
Cash flow hedges - gas and electricity swap contracts	72,954	-
Cash flow hedges - nickel swap contracts	-	5,756
	$ 90,458	$ 16,302
Current	$ 85,131	$ 15,475
Non-current	5,327	827
	$ 90,458	$ 16,302

a. The Group entered into exchange rate swap contracts, foreign forward contracts and foreign currency deposits to hedge against the exchange rate fluctuations associated with designated foreign currency receivables and payables. The conditions of the foreign exchange forward contracts and exchange rate swaps are the same as those of the corresponding financial assets, so the management believes that the foreign exchange forward contracts are highly effective hedging instruments. For information regarding the financial instruments used for hedging, refer to Note 36.

b. The Group converts some of the issued floating rate financial liabilities from floating rate to fixed rate through the interest rate swap contracts in order to reduce the risk of the cash flow of the issued floating rate financial liabilities due to changes in interest rates. The conditions of the interest rate swap contracts are the same as the one of the related financial liabilities, therefore, the management of the Group considers they can be highly effective hedging instruments. For information regarding the financial instruments used for hedging, refer to Note 36.

c. The Group is exposed to the risk that the future cash flows of the assets and liabilities may fluctuate due to changes in market prices of gas, electricity and nickel that are required for the Group's operations. The Group assesses that the risk may be significant and therefore enters into gas, electricity and nickel swap contracts for hedging purposes. The breakdown of the cash flow hedge items and derivative financial instruments designated for hedging at the end of the reporting period were as follows:

Financial Commodity	Type of Transaction	Quantity	Trade Date	Maturity Date	Notional Amount (In Thousands)	Market Price (In Thousands)	Valuation (Loss) Gain (In Thousands)
December 31, 2025							
Gas	Buy	200,200 Tons	2024.09.13-2025.12.10	2026.01.31-2027.09.30	EUR 6,449	EUR 5,703	EUR (746)
Electricity	Buy	93,100 Megawatt hours	2024.11.28-2025.12.01	2026.01.31-2027.06.30	EUR 4,306	EUR 3,075	EUR (1,231)
Nickel	Buy	141 Tons	2025.10.13-2025.12.18	2026.01.31-2026.04.30	EUR 1,794	EUR 1,996	EUR 202
December 31, 2024							
Gas	Buy	30,000 Tons	2024.09.13	2027.04.30-2027.06.30	EUR 867	EUR 953	EUR 86
Electricity	Buy	120,700 Megawatt hours	2024.11.26-2024.12.27	2025.01.31-2026.09.30	EUR 7,369	EUR 7,739	EUR 370
Nickel	Buy	230 Tons	2024.06.25-2024.12.27	2025.01.31-2025.04.30	EUR 3,554	EUR 3,385	EUR (169)

10. CONTRACT ASSETS

As of December 31, 2025 and 2024, contract balances were as follows:

	December 31 2025	December 31 2024
Contract assets		
Cable installation	$ 535,720	$ 501,451
Solar power systems installation	14,561	70,218
Less: Allowance for impairment loss	-	-
Contract assets - current	$ 550,281	$ 571,669

The changes in the balance of contract assets primarily resulted from the timing differences between the Group's satisfaction of performance obligations and the respective customer's payment.

11. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31 2025	December 31 2024
Notes receivable		
Notes receivable	$ 176,746	$ 526,699
Trade receivables		
Trade receivables	$ 16,327,431	$ 15,736,374
Less: Allowance for impairment loss	(681,718)	(768,988)
	$ 15,645,713	$ 14,967,386

Trade Receivable

The average credit period on the sales of goods is 30 to 65 days. In determining the collectability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. When the Group dealt with new entities, the Group reviewed the credit ratings of the entities and obtained sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. In this regard, the management believes the Group's credit risk is significantly reduced.

The Group permits the use of a lifetime expected credit losses allowance for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience with the respective debtors and an analysis of the debtors' current financial positions. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on the past due status of receivables is not further distinguished according to different segments of the Group's customer base.

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

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

December 31, 2025

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-4%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	$ 13,542,412	$ 1,628,911	$ 375,527	$ 105,056	$ 675,525	$ 16,327,431
Loss allowance (lifetime ECLs)	(41,950)	(21,279)	(21,400)	(29,243)	(567,846)	(681,718)
Amortized cost	$ 13,500,462	$ 1,607,632	$ 354,127	$ 75,813	$ 107,679	$ 15,645,713

December 31, 2024

	Not Past Due	Less than 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-4%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	$ 12,482,193	$ 1,841,608	$ 229,494	$ 326,578	$ 856,501	$ 15,736,374
Loss allowance (lifetime ECLs)	(80,266)	(64,008)	(26,747)	(16,465)	(581,502)	(768,988)
Amortized cost	$ 12,401,927	$ 1,777,600	$ 202,747	$ 310,113	$ 274,999	$ 14,967,386

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

	For the Year Ended December 31	
	2025	2024
Balance at January 1	$ 768,988	$ 637,399
Add: Acquisitions through business combination	-	193,565
Less: Reversal of impairment loss	(77,719)	(41,647)
Less: Amounts written off	(7,520)	(50,583)
Foreign exchange gains and losses	(2,031)	30,254
Balance at December 31	$ 681,718	$ 768,988

The amounts and the details of the factoring agreements for accounts receivable of the Group are set out in Notes 23, 36 and 38.

12. FINANCE LEASE RECEIVABLES

	December 31	
	2025	2024
Undiscounted lease payments		
Year 1	$ 84,841	$ 81,359
Year 2	84,841	81,359
Year 3	84,841	81,359
Year 4	84,841	81,359
Year 5	84,841	81,359
Year 5 onwards	133,068	206,299
	557,273	613,094
Less: Unearned finance income	(58,708)	(72,637)
Net investment in leases presented as finance lease receivables	$ 498,565	$ 540,457
Current	$ 69,362	$ 64,183
Non-current	429,203	476,274
	$ 498,565	$ 540,457

The power supply contracts of solar power equipment are processed according to the finance leases accounting policy. The average term of finance leases entered into was 20 years.

The interest rate inherent in the leases was fixed at the contract date for the entire lease term. The average effective interest rate contracted was 3.30% per annum as of December 31, 2025 and 2024.

The finance lease receivables as of December 31, 2025 and 2024 were neither past due nor impaired.

The amounts of finance lease receivables pledged as collateral or for security are set out in Note 38.

13. INVENTORIES

	December 31	
	2025	2024
Manufacturing and trading industries		
Raw materials	$ 11,139,554	$ 10,611,861
Raw materials in transit	2,089,216	1,844,390
Supplies	1,995,303	1,990,854
Work-in-process	9,874,595	12,420,581
Finished goods and merchandise	12,477,734	14,568,269
Contracts in progress	561,691	303,992
	38,138,093	41,739,947
Real estate development industry		
Undeveloped land	3,434	3,434
Buildings and land held for sale	153,245	181,466
Contracts in progress	2,155,124	2,198,100
	2,311,803	2,383,000
	$ 40,449,896	$ 44,122,947

a. The cost of goods sold related to inventories for the years ended December 31, 2025 and 2024 were NT$159,882,036 thousand and NT$166,100,361 thousand, respectively.

b. The cost of goods sold for the years ended December 31, 2025 and 2024 included (reversals) of inventory write-downs of NT$(832,472) thousand and inventory write-downs of NT$441,893 thousand, respectively.

c. The inventory for the real estate development business are primarily land and construction costs for future construction and contracts in progress of WLC subsidiary, Walsin (Nanjing) Development Co., Ltd.

14. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2025	2024
Domestic listed ordinary shares		
HannStar Display Corp.	$ 2,337,131	$ 2,522,903
HannStar Board Corp.	5,413,731	3,120,373
TECO Electric & Machinery Corp.	19,194,397	12,063,667
K. S. Terminals Inc.	7,054	11,296
Domestic unlisted ordinary shares	961,929	820,738
Foreign unlisted ordinary shares	91,043	101,132
	$ 28,005,285	$ 18,640,109
Non-current	$ 28,005,285	$ 18,640,109

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management selected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes. For the years ended December 31, 2025 and 2024, the unrealized valuation gains (losses) resulting from these investments in equity instruments were NT$9,703,500 thousand and NT$(190,882) thousand, respectively, which were recognized in other comprehensive income (loss).

15. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

The consolidated entities as of December 31, 2025 and 2024 were as follows:

			Percentage of Ownership (%)	
			December 31	
Investor	**Investee**	**Main Business**	**2025**	**2024**
Walsin Lihwa Corporation	Walsin Lihwa Holdings Limited (WLHL)	Investment holding	100.00	100.00
	Concord Industries Limited (CIL)	Investment holding	100.00	100.00
	Ace Result Global Limited	Investment holding	100.00	100.00
	Min Maw Precision Industry Corp. (Min Maw)	Solar power systems management, design, and installation	100.00	100.00
	Walsin Info-Electric Corp. (Walsin Info-Electric)	Mechanical and electrical, communications, and power systems	99.51	99.51
	Chin-Cherng Construction Co. (Chin-Cherng)	Investment in the construction of residential and sale of commercial buildings, rental design and interior decoration business	99.22	99.22
	Joint Success Enterprises Limited	Investments	49.05	49.05
	P.T. Walsin Lippo Industries (P.T. Walsin)	Manufacture and sale of cables and wires	70.00	70.00
	PT. Walsin Lippo Kabel	Cables and wires	70.00	70.00
	Waltuo Green Resources Corp.	Waste disposal, resource recovery and cement products	100.00	100.00
	PT. Walsin Nickel Industrial Indonesia	Manufacture and sale of nickel pig iron	50.00	50.00
	Walsin Precision Technology Sdn. Bhd.	Manufacture and sale of stainless steel	100.00	100.00
	Walsin Singapore Pte. Ltd.	Investment holding	100.00 (Note 12)	100.00 (Note 12)
	Walsin America, LLC	Investment holding	100.00	100.00
	Walsin Lihwa Europe S.a r.l.	Investment holding	100.00	100.00
	PT. Walsin Research Innovation Indonesia	Consulting and management	99.67	99.67 (Note 5)
	Walsin Energy Cable System Co., Ltd.	Submarine communication cables	90.00	90.00
Walsin Singapore Pte. Ltd.	PT. Walsin Nickel Industrial Indonesia	Manufacture and sale of nickel pig iron	42.00	42.00
	PT. Sunny Metal Industry	Manufacture and sale of nickel matte	50.10	50.10
	Berg Holding Limited	Investment holding	75.00	75.00
	PT. Walsin Everising Specialty Steel Indonesia	Production and processing of specialty metals	51.00 (Note 11)	-
Berg Holding Limited	PT. Sunny Metal Industry	Manufacture and sale of nickel matte	39.35	39.35
WLHL	Walsin (China) Investment Co., Ltd.	Investment holding	100.00	100.00
	Walsin International Investments Limited I	Investments	100.00	100.00
	Nanjing Taiwan Trade Mart Management Co., Ltd.	Business and assets management, consulting and advertising services	100.00	100.00
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat-rolled products	18.37	18.37
Walsin (China) Investment Co., Ltd.	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	15.48	15.48
	Jiangyin Walsin Steel Cable Co., Ltd. (JHS)	Manufacture and sale of steel cables and wires	100.00	100.00
	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Manufacture and sale of cables and wires	95.71	95.71
	Dongguan Walsin Wire & Cable Co., Ltd.	Manufacture and sale of bare copper cables and wires	100.00	100.00
Dongguan Walsin Wire & Cable Co., Ltd.	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	60.00	60.00
Ace Result Global Limited	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	24.52	24.52
CIL	Walsin Specialty Steel Corp.	Sale of specialty steel products and investment holding	100.00	100.00
	Yantai Walsin Stainless Steel Co., Ltd.	Production and sale of new-type alloy materials	100.00	100.00
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat-rolled products	81.63	81.63
	XiAn Walsin Metal Product Co., Ltd.	Production and sale of medium and heavy specialty steel plates	100.00	100.00
Walsin Specialty Steel Corp.	Changshu Walsin Specialty Steel Co., Ltd.	Manufacture and sale of specialized steel tubes, rods and wires	100.00	100.00
Chin-Cherng Construction Co.	Joint Success Enterprises Limited	Investments	50.95	50.95
Joint Success Enterprises Limited	Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	100.00	100.00
Walsin (Nanjing) Development Co., Ltd.	Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	100.00	100.00
Min Maw Precision Industry Corp. (Min Maw)	PT. Walsin Research Innovation Indonesia	Consulting and management	0.33	0.33
Walsin America, LLC	Borrego Energy Holdings, LLC	Investment holding	72.55	72.55
Borrego Energy Holdings, LLC	Borrego Energy, LLC	Solar power system	100.00	100.00
Cleanleaf Energy Holdings, Inc.	Cleanleaf Energy Holdings, Inc.	Investment holding	82.50 (Note 2)	100.00 (Note 2)
Cleanleaf Walsin Lihwa Europe S.a r.l.	MEG S.A.	Investment holding	100.00	100.00
	Walsin Lihwa Italy S.r.l.	Sale of stainless steel	100.00 (Note 9)	-
MEG S.A.	Cogne Acciai Speciali S.p.A.	Manufacture and sale of stainless steel	71.83 (Note 1)	70.00 (Note 1)

(Continued)

Investor	Investee	Main Business	Percentage of Ownership (%) December 31 2025	2024
Cogne Acciai Speciali S.p.A.	Cogne France Société par Actions Simplifiée	Sale of stainless steel	100.00	100.00
	Cogne Edelstahl Gmbh	Sale of stainless steel	100.00	100.00
	Cogne SG Pte. Ltd.	Sale of stainless steel	100.00	100.00
	Cogne Hong Kong Limited	Investment holding	- (Note 10)	100.00
	Cogne U.K. Limited	Sale of stainless steel	100.00	100.00
	Cogne Stainless Bars SA	Manufacture and sale of stainless steel	100.00	100.00
	Cogne Mexico Sociedad Anonima de Capital Variable	Manufacture and sale of stainless steel	82.53	82.53
	Metalinox Cogne Acos Inoxidaveis Especiais Ltda	Sale of stainless steel	100.00	100.00
	Cogne Speciality Steel USA, Inc.	Sale of stainless steel	100.00	100.00
	Cogne Celik Sanayi ve Ticaret Limited Şirketi	Sale of stainless steel	100.00	100.00
	Dong Guan Cogne Steel Products Co., Ltd.	Manufacture and sale of stainless steel	100.00	100.00
	Special Melted Products Limited	Manufacture and sale of high-quality special steels and nickel-based alloys	100.00	100.00
	Degerfors Long Products AB	Sale of special steel	100.00	100.00
	Com. Steel Inox S.p.A.	Stainless steel and nickel-based alloy recycling and processing	65.00	65.00 (Note 4)
	DMV GmbH	Investment holding	100.00	100.00 (Note 6)
Cogne Stainless Bars SA	Aosta Servizi Generali S.r.l.	Machinery and electrical maintenance	100.00	100.00
	Cogne Mexico Sociedad Anonima de Capital Variable	Manufacture and sale of stainless steel	0.0002	0.0002
DMV GmbH	DMV Deutschland Gmbh	Manufacturing stainless steel and nickel-based alloy tube	100.00	100.00 (Note 7)
	DMV France S.A.S.	Manufacturing stainless steel and nickel-based alloy tube	100.00	100.00 (Note 7)
	DMV SOTEP S.A.S.	Manufacturing stainless steel and nickel-based alloy tube	100.00	100.00 (Note 7)
	DMV Italia S.R.L.	Manufacturing stainless steel and nickel-based alloy tube	100.00	100.00 (Note 7)
	DMV USA, Inc.	Manufacturing stainless steel and nickel-based alloy tube	100.00	100.00 (Note 7)
PT. Walsin Nickel Industrial Indonesia	PT. Walhsu Metal Industry	Manufacture and sale of nickel matte	0.10	0.10 (Note 3)
PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Manufacture and sale of nickel matte	99.90	99.90 (Note 3)
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Hangzhou Futong Electric Industries Co., Ltd.	Manufacture and sale of cables and wires	51.00	51.00
Yantai Walsin Stainless Steel Co., Ltd.	Yantai Huaxin Recycling Resources Co., Ltd.	Recycling of renewable resources	100.00 (Note 8)	-

(Concluded)

Note 1: On January 6, 2025, WLC’s board of directors approved to increase capital in cash of Cogne Acciai Speciali S.P.A, and the capital increase base date was on June 9, 2025. MEG S.A. subscribed for additional new shares at a percentage different from its existing ownership percentage, resulting in an increase in the shareholding percentage from 70.00% to 71.83%.

Note 2: The Group established Cleanleaf Energy Holdings, Inc. on September 14, 2023, and injected capital on January 1, 2024. Due to the employees exercised their share options, resulting in a decrease in shareholding percentage from 100.00% to 82.50% in 2025.

Note 3: On February 23, 2024, WLC’s board of directors approved to increase capital in cash of PT. Walhsu Metal Industry, and the capital increase base date was on March 28, 2024.

Note 4: Cogne Acciai Speciali S.p.A. acquired 65.00% shares of Com.Steel Inox S.p.A. for a consideration of NT$841,200 thousand on May 3, 2024. This transaction was classified as a business combination. Please refer to Note 33.

Note 5: On September 26, 2024, WLC’s board of directors approved an increase in capital through cash for PT. Walsin Research Innovation Indonesia, and the capital increase base date was on October 9, 2024.

Note 6: Cogne Acciai Speciali S.p.A. acquired 100.00% shares of DMV GmbH for a consideration of NT$4,020,514 thousand on November 1, 2024. This transaction was classified as a business combination. Please refer to Note 33.

Note 7: The subsidiaries of DMV GmbH were merged into the Group in November 2024 as part of the above-mentioned business combination.

Note 8: The Group established Yantai Huaxin Recycling Resources Co., Ltd. on November 21, 2024, and injected capital on March 4, 2025.

Note 9: The Group established Walsin Lihwa Italy S.r.l. on March 11, 2025.

Note 10: Cogne Hong Kong Limited was dissolved on January 24, 2025.

Note 11: Walsin Singapore Pte. Ltd. acquired 21.50% shares of PT. Walsin Everising Specialty Steel Indonesia for an increase in capital through cash of NT$280,644 thousand on October 21, 2025. This transaction will increase the Group's shareholding percentage in PT. Walsin Everising Specialty Steel Indonesia from 29.50% to 51.00%, account for its investments from an associate to a subsidiary. This transaction was classified as a business combination. Please refer to Note 33.

Note 12: On May 3, 2024, WLC's board of directors approved an increase in capital through cash for Walsin Singapore Pte. Ltd., and the capital increase base date were on August 2, 2024 and May 12, 2025, respectively.

The financial statements of certain subsidiaries included in the consolidated financial statements, namely P.T. Walsin Lippo Industries, Walsin Precision Technology Sdn, Bhd., and Walsin America LLC's subsidiary Borrego Energy Holdings, LLC for the years ended December 31, 2025, and P.T. Walsin Lippo Industries, Walsin Precision Technology Sdn, Bhd., Cogne Acciai Speciali S.p.A. and subsidiaries, and Walsin America, LLC's subsidiary Borrego Energy Holdings, LLC for the years ended December 31, 2024 were not audited by the auditor of WLC but by other auditors. As of December 31, 2025 and 2024, the combined total assets of those subsidiaries were NT$2,891,017 thousand and NT$42,264,599 thousand, respectively; for the years ended December 31, 2025 and 2024, the combined net operating revenues of these subsidiaries were NT$2,401,989 thousand and NT$32,309,110 thousand, respectively.

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates

	December 31			
	2025		2024	
Name of Associate	**Carrying Amount**	**Ownership Percentage (%)**	**Carrying Amount**	**Ownership Percentage (%)**
Material associates				
Winbond Electronics Corp.	$ 23,904,146	22.11	$ 20,303,647	22.11
Walton Advanced Engineering, Inc.	2,544,023	20.59	2,164,134	21.17
Walsin Technology Corp.	9,564,255	18.30	9,047,293	18.30
Chin-Xin Investment Co., Ltd.	13,404,709	37.00	5,039,061	37.00
Associates that are not individually material				
Others	3,678,378		3,294,538	
	$ 53,095,511		$ 39,848,673	

Refer to Table 6 “Information on Investees” and Table 7 “Information on Investments in Mainland China” for the nature of activities, principal places of business and countries of incorporation of the associates.

The Group is the single largest shareholder of the abovementioned material associates in which the Group has an ownership percentage of less than 50%. Considering the relative size and wide dispersion of the voting rights owned by other shareholders, the Group has no ability to direct the relevant activities of the associates and therefore has no control over these associates.

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

	December 31	
Name of Associate	**2025**	**2024**
Winbond Electronics Corp.	$ 82,187,045	$ 14,726,008
Walton Advanced Engineering, Inc.	$ 6,099,143	$ 1,529,316
Walsin Technology Corp.	$ 10,401,572	$ 8,223,465

All the associates were accounted for using the equity method.

In January 2024, WLC disposed of its entire 29.5% shareholding in the associate PT. Westrong Metal Industry for total proceeds of US$146,000 thousand.

In June 2024, WLC disposed of part of its shareholding in the associate Innovation West Mantewe Pte. Ltd., reducing its ownership from 40.00% to 20.00%. The total proceeds amounted to US$58,652 thousand, and a gain of NT$663,969 thousand was recognized under “Gain on Disposal of Investments.”

In July 2024, WLC disposed of its 29.17% shareholding in the associate PT. CNGR Walsin New Mining Industry Investment Indonesia for total proceeds of US$1,459 thousand, and a gain of NT$7,315 thousand was recognized under “Gain on Disposal of Investments.”

In July 2024, WLC disposed of its 29.17% shareholding in the associate PT. CNGR Walsin New Energy and Technology Indonesia for total proceeds of US$9,356 thousand, and a gain of NT$6,799 thousand was recognized under “Gain on Disposal of Investments.”

The Group did not subscribe to the cash capital increase of Winbond Electronics Corporation in proportion to its ownership interest in August 2024, resulting in an increase in its shareholding percentage from 21.99% to 22.11%.

In August 2024, WLC purchased of its 29.50% shareholding in the associate PT. Walsin Everising Specialty Steel Indonesia for a total purchase of US$6,151 thousand. The Group did not subscribe to the cash capital increase of PT. Walsin Everising Specialty Steel Indonesia in proportion to its ownership interest in October 2025, resulting in an increase in its shareholding percentage from 29.50% to 51.00%. The Group uses the equity method to account for its investments in subsidiaries from the date on which its investment ceases to be an associate. Please refer to Note 33.

In March, May and August 2025, WLC purchased total of its 36.27% shareholding in the associate Advanced Manufacturing Holding Limited for a total purchase of GBP5,744 thousand.

In August 2025, WLC disposed of its 20.00% shareholding in the associate Jiangsu Taiwan Trade Mart Development Co., Ltd for total proceeds of RMB2,285 thousand.

On November 7, 2025, WLC’s board of directors approved an increase in capital through cash for Innovation West Mantewe Pte. Ltd., and the capital increase base date were on December 12, 2025.

In December 2025, WLC disposed of its shareholding in the associate Walton Advanced Engineering, Inc. for total proceeds of NT$163,788 thousand, resulting in a decrease in its shareholding percentage from 21.17% to 20.59%, and a gain of NT$94,298 thousand was recognized under "Gain on Disposal of Investments."

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

a. Material associates

December 31, 2025

	Winbond Electronics Corp.	Walton Advanced Engineering, Inc.	Walsin Technology Corp.	Chin-Xin Investment Co., Ltd.
Current assets	$ 73,191,129	$ 7,371,331	$ 33,441,880	$ 53,847
Non-current assets	119,000,938	9,156,581	70,984,812	39,260,977
Current liabilities	(46,615,224)	(2,716,830)	(22,283,858)	(2,805,334)
Non-current liabilities	(31,446,712)	(1,539,798)	(19,352,865)	(226)
Equity	114,130,131	12,271,284	62,789,969	36,509,264
Non-controlling interests	(6,194,164)	(3,792)	(10,752,439)	-
	$ 107,935,967	$ 12,267,492	$ 52,037,530	$ 36,509,264
Proportion of the Group's ownership	22.11%	20.59%	18.30%	37.00%
Equity attributable to the Group	$ 23,864,642	$ 2,525,877	$ 9,522,868	$ 13,508,427
Other adjustments	39,504	18,146	41,387	(103,719)
Carrying amount	$ 23,904,146	$ 2,544,023	$ 9,564,255	$ 13,404,709
Operating revenue	$ 89,406,171	$ 7,315,440	$ 36,462,792	$ 256,565
Net profit for the year	$ 3,177,448	1,134,850	$ 3,003,286	$ 173,734
Other comprehensive loss	11,949,712	398,269	3,227,787	22,432,313
Total comprehensive income for the year	$ 15,127,160	$ 1,533,119	$ 6,231,073	$ 22,606,047

December 31, 2024

	Winbond Electronics Corp.	Walton Advanced Engineering, Inc.	Walsin Technology Corp.	Chin-Xin Investment Co., Ltd.
Current assets	$ 59,515,489	$ 6,218,361	$ 31,266,210	$ 25,403
Non-current assets	118,268,659	9,955,842	67,988,977	16,480,527
Current liabilities	(41,761,715)	(3,370,891)	(23,911,364)	(2,600,114)
Non-current liabilities	(36,863,012)	(2,242,092)	(17,066,670)	(1,704)
Equity	99,159,421	10,561,220	58,277,153	13,904,112
Non-controlling interests	(7,507,933)	(134,378)	(9,631,450)	-
	$ 91,651,488	$ 10,426,842	$ 48,645,703	$ 13,904,112

(Continued)

	Winbond Electronics Corp.	Walton Advanced Engineering, Inc.	Walsin Technology Corp.	Chin-Xin Investment Co., Ltd.
Proportion of the Group's ownership	22.11%	21.17%	18.30%	37.00%
Equity attributable to the Group	$ 20,264,144	$ 2,207,362	$ 8,902,164	$ 5,144,521
Other adjustments	39,503	(43,228)	145,129	(105,460)
Carrying amount	$ 20,303,647	$ 2,164,134	$ 9,047,293	$ 5,039,061
Operating revenue	$ 81,609,768	$ 7,859,456	$ 34,755,041	$ 395,992
Net profit for the year	$ 709,621	(27,814)	$ 3,828,708	$ 284,399
Other comprehensive loss	(7,866,252)	(360,374)	(21,545)	(9,599,271)
Total comprehensive income for the year	$ (7,156,631)	$ (388,188)	$ 3,807,163	$ (9,314,872)

(Concluded)

b. Associates that are not individually material

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Net profit from continuing operations	$ 62,661	$ 65,815
Other comprehensive income	301,839	109,490
Total comprehensive income for the year	$ 364,500	$ 175,305

The Group's shares of profit and other comprehensive income of the associates for the years ended December 2025 and 2024 were based on the associates' financial statements audited by independent auditors for the same period.

17. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2025	2024
Assets used by the Group	$ 90,426,751	$ 84,592,885

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2025	$ 4,302,092	$ 37,279,782	$ 77,606,637	$ 13,372,278	$ 11,832,093	$ 144,392,882
Additions	3,330	2,008,003	1,017,630	360,513	8,610,659	12,000,135
Disposals	-	(251,725)	(192,103)	(214,427)	-	(658,255)
Acquisition through business combinations	-	-	-	1,356	756,399	757,755
Reclassified	9,862	148,458	2,496,429	600,140	(3,259,836)	(4,947)
Effects of foreign currency exchange differences	(3,399)	(251,910)	316,079	(150,445)	29,151	(60,524)
Balance at December 31, 2025	$ 4,311,885	$ 38,932,608	$ 81,244,672	$ 13,969,415	$ 17,968,466	$ 156,427,046

(Continued)

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Accumulated depreciation and impairment						
Balance at January 1, 2025	$ 8,067	$ 13,399,650	$ 39,052,334	$ 7,339,946	$ -	$ 59,799,997
Depreciation expenses	-	2,534,406	3,004,324	826,344	-	6,365,074
Disposals	-	(250,176)	(185,289)	(201,076)	-	(636,541)
Acquisition through business combinations	-	-	-	4	-	4
Impairment losses recognized	-	-	-	996	-	996
Effects of foreign currency exchange differences	-	(19,857)	549,812	(59,190)	-	470,765
Balance at December 31, 2025	$ 8,067	$ 15,664,023	$ 42,421,181	$ 7,907,024	$ -	$ 66,000,295
Carrying amount at December 31, 2025	$ 4,303,818	$ 23,268,585	$ 38,823,491	$ 6,062,391	$ 17,968,466	$ 90,426,751
Cost						
Balance at January 1, 2024	$ 4,000,385	$ 30,062,463	$ 66,580,327	$ 12,003,844	$ 15,947,767	$ 128,594,786
Additions	301,633	724,826	2,408,748	356,797	4,130,487	7,922,491
Disposals	-	(6,946)	(780,168)	(419,519)	(718)	(1,207,351)
Acquisition through business combinations	-	1,609,253	3,372,595	424,665	169,167	5,575,680
Reclassified	-	3,765,875	4,066,322	603,495	(8,762,749)	(327,057)
Effects of foreign currency exchange differences	74	1,124,311	1,958,813	402,996	348,139	3,834,333
Balance at December 31, 2024	$ 4,302,092	$ 37,279,782	$ 77,606,637	$ 13,372,278	$ 11,832,093	$ 144,392,882
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ 8,067	$ 10,981,058	$ 32,552,709	$ 6,347,521	$ -	$ 49,889,355
Depreciation expenses	-	1,498,307	4,909,978	842,021	-	7,250,306
Capitalized depreciation expense	-	-	380	140	-	520
Disposals	-	(6,818)	(666,091)	(410,235)	-	(1,083,144)
Acquisition through business combinations	-	662,532	1,620,026	380,844	-	2,663,402
Impairment losses (reserved)	-	-	(28,109)	4,190	-	(23,919)
Effects of foreign currency exchange differences	-	264,571	663,441	175,465	-	1,103,477
Balance at December 31, 2024	$ 8,067	$ 13,399,650	$ 39,052,334	$ 7,339,946	$ -	$ 59,799,997
Carrying amount at December 31, 2024	$ 4,294,025	$ 23,880,132	$ 38,554,303	$ 6,032,332	$ 11,832,093	$ 84,592,885

(Concluded)

a. Apart from the machinery equipment of the resource department, the property, plant and equipment of the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	3-50 years
Machinery and equipment	3-20 years
Other equipment	3-15 years

The Group’s main buildings and electrical and mechanical power equipment are depreciated over their estimated useful lives of 20-50 years and 18-20 years, respectively.

The machinery equipment in the resource department were initially depreciated on an accelerated basis over their useful lives for 16 years. Starting from January 1, 2025, the depreciation basis has been changed to the straight-line basis. Please refer to Note 5.

b. The Group owns parcels of land which were registered in the name of certain individuals because of certain regulatory restrictions. To secure its ownership of such parcels of land, WLC keeps in its possession the land titles with the annotation of the land being pledged to WLC. As of December 31, 2025 and 2024, the recorded total carrying amount of such parcels of land amounted to NT$535,709 thousand and NT$521,979 thousand, respectively.

c. After appropriate evaluation, the Group recognized an impairment (loss) on property, plant and equipment of NT$(996) thousand for the year ended December 31, 2025, and a reversal of impairment loss on property, plant and equipment of NT$23,919 thousand for the year ended December 31, 2024. These amounts were recognized under “Reversal of impairment (loss)”.

18. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
Carrying amounts		
Land	$ 3,626,803	$ 3,814,277
Buildings	1,116,051	1,085,714
Machinery equipment	1,064,094	1,070,472
Office equipment	59,060	58,094
Transportation equipment	62,093	42,313
	$ 5,928,101	$ 6,070,870

	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	$ 435,132	$ 802,766
Acquisition through business combinations	$ -	$ 934,227
Disposals	$ (31,853)	$ (3,193)
Depreciation charge for right-of-use assets		
Land	$ 172,231	$ 165,726
Buildings	322,551	189,231
Machinery equipment	121,994	97,065
Office equipment	38,685	19,651
Transportation equipment	23,431	17,689
	$ 678,892	$ 489,362

b. Lease liabilities

	December 31	
	2025	2024
Carrying amounts		
Current	$ 391,530	$ 600,124
Non-current	$ 3,690,935	$ 3,342,782

Range of discount rates for lease liabilities was as follows:

	December 31	
	2025	2024
Land	0.83%-8.746%	0.83%-8.746%
Buildings	2.50%-8.76%	2.278%-8.76%
Machinery equipment	3.00%-3.90%	3.00%-3.90%
Office equipment	3.00%-3.90%	3.00%-3.90%
Transportation equipment	1.964%-5.615%	1.964%-5.615%

c. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	$ 176,226	$ 234,212
Expenses relating to low-value asset leases	$ 864	$ 1,058
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 5,622	$ 4,756
Total cash outflow for leases	$ (696,674)	$ (583,087)

19. INVESTMENT PROPERTIES

	December 31	
	2025	2024
Completed investment properties	$ 14,632,726	$ 15,210,112

	Completed Investment Properties
Cost	
Balance at January 1, 2025	$ 19,140,553
Additions	14,025
Disposals	(6,320)
Transfers from property, plant and equipments	257
Effects of foreign currency exchange differences	(165,349)
Balance at December 31, 2025	$ 18,983,166
Balance at January 1, 2024	$ 18,908,583
Transfers from property, plant and equipments	13,578
Transfers to inventories	(199,257)
Effects of foreign currency exchange differences	417,649
Balance at December 31, 2024	$ 19,140,553

(Continued)

	Completed Investment Properties
Accumulated depreciation and impairment	
Balance at January 1, 2025	$ 3,930,441
Depreciation expenses	452,560
Disposals	(3,382)
Effects of foreign currency exchange differences	(29,179)
Balance at December 31, 2025	$ 4,350,440
Balance at January 1, 2024	$ 3,393,832
Depreciation expenses	464,250
Effects of foreign currency exchange differences	72,359
Balance at December 31, 2024	$ 3,930,441

(Concluded)

The completed investment properties are depreciated on a straight-line method over their estimated useful lives of 20 to 50 years.

The investment properties of the Group increased because the Group changed the purpose of use of the completed commercial building of Walsin (Nanjing) Development Co., Ltd. and transferred it to investment property. The main investment properties of the Group are Walsin Xin Yi Building and the completed investment properties of Walsin (Nanjing) Development Co., Ltd. The building's valuation was commissioned by independent appraisal agencies (third parties). As of December 31, 2025 and 2024, the fair values of the investment properties were NT$41,897,975 thousand and NT$48,286,129 thousand, respectively.

20. GOODWILL

	For the Year Ended December 31	
	2025	2024
Cost		
Balance at January 1	$ 2,964,780	$ 2,155,597
Acquisition through business combinations	-	706,247
Effects of foreign currency exchange differences	96,436	102,936
Balance at December 31	$ 3,061,216	$ 2,964,780
Accumulated impairment		
Balance at January 1	$ -	$ -
Balance at December 31	$ -	$ -
Carrying amount at December 31	$ 3,061,216	$ 2,964,780

The Group acquired Com.Steel Inox S.p.A. on May 3, 2024 and recognized the determined goodwill of NT$706,247 thousand. The Group adjusted the initial accounting treatment and provisionally determined amounts from the acquisition date based on the finalized purchase price allocation report in 2025. The comparative period amount was restated accordingly, please refer to Note 33.

The Group acquired DMV GmbH on November 1, 2024 and recognized the gain from bargain purchase of NT$847,718 thousand. The Group adjusted the initial accounting treatment and provisionally determined amounts from the acquisition date based on the finalized purchase price allocation report in 2025. The comparative period amount was restated accordingly, please refer to Note 33.

The Group acquired PT. Walsin Everising Specialty Steel Indonesia on October 21, 2025. As of the date of issuance of the consolidated financial statements, the purchase price allocation report has not been finalized. The amount may change afterward. Please refer to Note 33.

The adjustments to the Group's balance sheet items are as follows:

	December 31, 2024		
	Amount Before Restatement	**Adjustment**	**Restated**
Goodwill	$ 3,099,946	$ (135,166)	$ 2,964,780
Other intangible assets	$ 9,270,848	$ 269,187	$ 9,540,035
Deferred tax liabilities	$ (6,803,504)	$ (75,103)	$ (6,878,607)
Unappropriated earnings	$ (46,182,358)	$ 6,420	$ (46,175,938)
Exchange differences on translation of the financial statement of foreign operations	$ 349,726	$ (112)	$ 349,614
Non-controlling interests	$ (10,153,354)	$ (65,226)	$ (10,218,580)

The adjustments to the Group's statements of comprehensive income items are as follows:

	For the Year Ended December 31, 2024		
The Effects on Comprehensive Income	**Amount Before Restatement**	**Adjustment**	**Restated**
Operating costs	$(167,633,649)	$ 132,623	$(167,501,026)
Operating expenses	$ (9,516,922)	$ (19,569)	$ (9,536,491)
Other income	$ 1,836,601	$ (92,951)	$ 1,743,650
Income tax benefit	$ 87,499	$ (34,212)	$ 53,287
Exchange differences on translation of the financial statement of foreign operations	$ 5,021,711	$ 246	$ 5,021,957

21. OTHER INTANGIBLE ASSETS

	Supply Contract	Core Technology	Others	Total
Cost				
Balance at January 1, 2025	$ 5,510,667	$ 3,912,955	$ 3,514,761	$ 12,938,383
Additions	-	-	104,512	104,512
Disposals	-	-	(11,721)	(11,721)
Effect of foreign currency exchange differences	(227,755)	(215,648)	248,838	(194,565)
Balance at December 31, 2025	$ 5,282,912	$ 3,697,307	$ 3,856,390	$ 12,836,609
Accumulated amortization and impairment				
Balance at January 1, 2025	$ 1,348,956	$ 899,180	$ 1,150,212	$ 3,398,348
Amortization expenses	655,099	204,729	302,981	1,162,809
Disposals	-	-	(11,620)	(11,620)
Effect of foreign currency exchange differences	(50,478)	(43,169)	72,772	(20,875)
Balance at December 31, 2025	$ 1,953,577	$ 1,060,740	$ 1,514,345	$ 4,528,662
Carrying amount at December 31, 2025	$ 3,329,335	$ 2,636,567	$ 2,342,045	$ 8,307,947
Cost				
Balance at January 1, 2024	$ 5,161,050	$ 3,664,703	$ 3,026,619	$ 11,852,372
Additions	-	-	49,646	49,646
Acquisition through business combinations	-	-	415,330	415,330
Effect of foreign currency exchange differences	349,617	248,252	23,166	621,035
Balance at December 31, 2024	$ 5,510,667	$ 3,912,955	$ 3,514,761	$ 12,938,383
Accumulated amortization and impairment				
Balance at January 1, 2024	$ 618,246	$ 425,789	$ 797,005	$ 1,841,040
Amortization expenses	674,731	435,449	306,003	1,416,183
Acquisition through business combinations	-	-	74,760	74,760
Effect of foreign currency exchange differences	55,979	37,942	(27,556)	66,365
Balance at December 31, 2024	$ 1,348,956	$ 899,180	$ 1,150,212	$ 3,398,348
Carrying amount at December 31, 2024	$ 4,161,711	$ 3,013,775	$ 2,364,549	$ 9,540,035

a. The core technology generated by PT. Sunny Metal Industry are amortized on an basis over 16 years. Starting from January 1, 2025, the amortization basis for the core technology was changed from the sum-of-the-years-digits method to the straight-line method, please refer to Note 5.

b. Apart from stated above, the other intangible assets of the Group are amortized on a straight-line basis over 5-18 years.

c. Except for acquisitions through business combinations and the recognition of amortization expenses, there were no significant additions, disposals or impairments of other intangible assets of the Group for the years ended December 31, 2025 and 2024.

22. OTHER ASSETS

	December 31	
	2025	**2024**
Prepayment for purchases	$ 2,490,549	$ 3,222,202
Prepaid expense	856,814	619,954
Prepaid sales tax	2,474,512	2,273,117
Prepayment for investments	-	5,227
Other financial assets - non-current	4,797,000	4,594,488
Tax refund receivable	161,172	413,135
Others	1,208,361	966,154
	$ 11,988,408	$ 12,094,277
Current	$ 6,157,870	$ 6,251,778
Non-current	5,830,538	5,842,499
	$ 11,988,408	$ 12,094,277

The Group deposited NT$4,797,000 thousand and NT$4,594,488 thousand as an endorsement guarantee for Cogne Acciai Speciali S.p.A. financing purposes on December 31, 2025 and 2024, respectively, which was recognized under “other non-current assets - other financial assets.” Please refer to Notes 23 and 38.

23. BORROWINGS

	December 31	
	2025	**2024**
Short-term borrowings	$ 11,115,692	$ 17,909,079
Short-term notes and bills payable	$ -	$ 3,145,773
Current portion of long-term borrowings	$ 4,240,650	$ 5,914,123
Long-term borrowings	$ 50,945,488	$ 37,358,178
Long-term notes and bills payable	$ 1,999,212	$ -

a. Short-term borrowings as of December 31, 2025 and 2024 were as follows:

	December 31			
	2025		2024	
	Interest Rate %	Amount	Interest Rate %	Amount
Bank lines of credit	0.25-5.842	$ 11,048,558	1.810-7.000	$ 17,823,075
Discounted notes receivable	2.00	67,134	2.00	86,004
		$ 11,115,692		$ 17,909,079

Refer to Note 38 for transferred receivables which were secured by a portion of the Group's trade receivables.

Refer to Notes 6 and 38 for collaterals pledged for short-term borrowings as of December 31, 2025 and 2024.

b. Short-term notes and bills payables as of December 31, 2024 were as follows:

December 31, 2024

Acceptance Agency	Type	Interest Rate	Amount
China Bills, International Bills and Mega Bills	Unsecured	1.800-1.850	$ 3,148,000
Less: Discount on short-term bills payable			(2,227)
			$ 3,145,773

c. Long-term borrowings as of December 31, 2025 and 2024 were as follows:

	December 31		
	2025		2024
	Significant Covenant	Amount	Amount
Long-term secured loan			
Cathay United Bank	From December 15, 2011 to September 27, 2027; after the grace period, repayments are due monthly.	$ 38,790	$ 124,915
Taipei Fubon Commercial Bank	From December 25, 2013 to October 11, 2028; after the grace period, repayments are due in stages.	-	31,167
Citibank	Principal repayment at maturity, from October 25, 2024 to October 23, 2027.	4,797,000	4,438,200
Other long-term secured loan	From January 12, 2019 to December 18, 2030; repayments are due according to contracts.	553,778	47,625
		5,389,568	4,641,907
Long-term credit loan			
The Export-Import Bank of the Republic of China	Loan from September 19, 2022 to September 22, 2029; principal to be repaid evenly in seven phases; 1st repayment is due 48 months after the drawdown date, after which repayments are due once every six months.	-	975,231
Bank of Taiwan	From September 22, 2020 to October 4, 2027; principal to be repaid in two phases: From the 5th year, repayments are due once every six months; at rates of 20% and 80%, respectively.	4,920,000	7,400,000

(Continued)

	December 31		
	2025		2024
	Significant Covenant	Amount	Amount
Taiwan Cooperative Bank	From October 4, 2022 to October 4, 2027; principal to be repaid in two phases: 1st repayment is due 48 months after the drawdown date, second repayment is due maturity date.	$ -	$ 2,000,000
Hua Nan Commercial Bank	From March 29, 2021 to March 29, 2026; principal to be repaid in two phases: From the 5th year, repayments are due once every six months.	-	2,000,000
CTBC Bank Co., Ltd	Principal repayment at maturity, from August 5, 2023 to February 7, 2029.	2,695,954	2,002,773
Taiwan Cooperative Bank	From October 4, 2022 to October 4, 2027; principal to be repaid in two phases: From the 4th year, repayments are due once every six months; at rates of 20% and 80%, respectively.	2,000,000	3,000,000
Far Eastern International Bank	Loan from October 21, 2022 to October 14, 2027; principal to be repaid evenly in three phases; 1st repayment is due 48 months after the signing date, after which repayments are due once every six months.	1,400,000	2,000,000
Hua Nan Commercial Bank	Principal repayment at maturity, from March 8, 2022 to March 8, 2027.	2,500,000	2,500,000
Chang Hwa Commercial Bank	Principal repayment at maturity, from March 8, 2022 to March 8, 2027.	2,000,000	2,000,000
Bank of Taiwan	Loan from June 13, 2023 to June 13, 2030; principal to be repaid evenly in forty-eight phases; 1st repayment is due 36 months after the drawdown date.	2,871,123	2,501,124
Hua Nan Commercial Bank	From June 13, 2023 to June 13, 2030; after the grace period, repayments are due monthly.	2,000,000	2,000,000
E.SUN Commercial Bank	From June 13, 2023 to May 15, 2028; after the grace period, repayments are due monthly.	1,000,000	1,000,000
China CITIC Bank	Principal repayment at maturity, from August 15, 2023 to July 6, 2027.	137,925	199,638
Intesa Sanpaolo S.p.A	Principal repayment at maturity, from December 30, 2019 to June 30, 2028.	724,532	1,994,458
Mega International Commercial Bank	Loan from June 5, 2024 to June 5, 2031, first repayment is the fifteenth day of the first calendar month from the expiration of 36 months after the drawdown date, and the repayments are due monthly.	9,136,410	2,149,980
First Commercial Bank Co., Ltd.	From June 13, 2023 to May 15, 2030; after the grace period, repayments are due monthly.	1,000,000	1,000,000
Bank of Taiwan	From April 14, 2025 to April 14, 2030; principal to be repaid in two phases: From the 4th year, at rates of 20% and 80%, respectively.	3,000,000	-
Hua Nan Commercial Bank	Principal repayment at maturity, from April 28, 2025 to April 28, 2030.	2,000,000	-
Chang Hwa Commercial Bank	From April 11, 2025 to April 11, 2030; after the grace period, repayments are due once every six months, divided into 8 phases, for phases 1 through 7, 8% of the principal shall be repaid in each phase, with the remaining balance settled in full upon maturity.	1,500,000	-
Industrial and Commercial Bank of China	Principal repayment at maturity, from December 20, 2024 to December 20, 2039	6,813,430	-
Other long-term credit loans	Principal repayments are due according to contracts, from November 1, 2018 to November 15, 2033	4,097,196	3,907,190
		49,796,570	38,630,394
		55,186,138	43,272,301
Less: Current portion of long-term borrowings		(4,240,650)	(5,914,123)
		$ 50,945,488	$ 37,358,178

(Concluded)

1) Under the loan agreements with Yantai Walsin Stainless Steel Co., Ltd., WLC as the guarantor should maintain certain financial ratios during the loan term, which are based on the annual and semi-annual consolidated financial statements audited by the independent auditors. The financial ratios are as follows:

   a) The current ratio (current assets/current liabilities) should not be less than 100%;

   b) The net liability ratio (total liabilities less cash and cash equivalents to tangible net worth) should not be more than 120%;

   c) The interest coverage ratio which included net income before interest expenses, taxation, depreciation and amortization to interest expenses should not be less than three times; and

   d) Tangible net worth (net worth less intangible assets) should not be less than NT$80,000,000 thousand.

2) Under the loan agreements with Walsin Energy Cable System Co., Ltd., WLC as the guarantor should maintain certain financial ratios during the loan term, which are based on the annual and semi-annual consolidated financial statements audited by the independent auditors. The financial ratios are as follows:

   a) The current ratio (current assets/current liabilities) should not be less than 100%;

   b) The net liability ratio (total liabilities less cash and cash equivalents to tangible net worth) should not be more than 120%;

   c) The interest coverage ratio which included net income before interest expenses, taxation, depreciation and amortization to interest expenses should not be less than three times; and

   d) Tangible net worth (net worth less intangible assets) should not be less than NT$80,000,000 thousand.

3) As of December 31, 2025 and 2024, the effective interest rate ranges of the credit borrowings were 0.47%-19.54% and 0.47%-15.36% per annum, respectively. As of December 31, 2025 and 2024, the effective interest rate range of the secured borrowings were 2.61%-17.99% and 2.61%-4.03% per annum, respectively.

4) As of December 31, 2025 and 2024, the Group's current portions of the long-term borrowings under the loan agreements were NT$4,240,650 thousand and NT$5,914,123 thousand, respectively. The Group's consolidated financial statements for the years ended December 31, 2025 and 2024 showed that the Group was in compliance with the aforementioned financial ratio requirements.

5) Refer to Note 38 for collaterals pledged on bank borrowings as of December 31, 2025 and 2024.

d. Long-term notes and bills payables as of December 31, 2025 were as follows:

December 31, 2025

Acceptance Agency	Type	Interest Rate	Amount
China Bills, Mega Bills and International Bills	Unsecured	1.969-1.973	$ 2,000,000
Less: Discount on long-term bills payable			(778)
			$ 1,999,212

The Group entered into a commercial paper issuance agreement with a financial institution for a period of 4 years. Under the agreement, commercial papers are issued with maturities of 30 days. In accordance with the Q&A "Transition Requirements of the ARDF Q&A - Liability Classification of Funds Raised Through The Revolving Issuance of Commercial Papers" issued by the FSC on August 15, 2025, these commercial papers shall be classified as current liabilities from the date of the revolving issuance in January 2026. The carrying amount of the commercial papers was recognized under "Short-term notes and bills payable."

24. BONDS PAYABLE

	December 31	
	2025	2024
Domestic unsecured bonds	$ 12,800,000	$ 12,800,000
Overseas unsecured bonds	55,387	153,139
Less: Current portion of long-term borrowings	(7,555,387)	(102,523)
	$ 5,300,000	$ 12,850,616

On October 8, 2021, WLC issued the first unsecured bond of 2021 at amount of NT$7.5 billion, each with a face value of NT$10 million. The issuance period is 5 years, and the annual rate is 0.7%. The maturity date is on October 8, 2026. Since the issuance date, the interest will be paid once a year, and the principal will be repaid once due.

On April 11, 2023, the Company issued the first unsecured bond of 2023 at amount of NT$5.3 billion and were divided into A and B bonds according to different issuance conditions. The issuance amount of Bond A is NT$3 billion, and the issuance period is 5 years. The annual rate is 1.7%, and the maturity date is on April 11, 2028. The issuance amount of Bond B is NT$2.3 billion, and the issuance period is 10 years. The annual rate is 2.1%, and the maturity date is on April 11, 2033. The interest of the two bonds will be paid once a year, and the principal will be repaid at maturity.

The overseas unsecured bonds were acquired through business combination and were issued on June 24, 2019 in the amount of EUR15,000 thousand, each with a face value of EUR100 thousand. The insurance period is 7 years, and the annual percentage rate is 3.5%. The maturity date is on June 24, 2026. Since the insurance date, the interest will be paid in half a year, and the principal will be repaid in 10 installments from the second year.

25. OTHER PAYABLES

	December 31	
	2025	2024
Payables for purchases of equipment	$ 1,568,970	$ 1,558,069
Payables for salaries or bonuses	874,467	1,330,064
Payables for dividends	116,614	3,816
Other accrued expenses payables	6,204,698	5,539,577
Other financing payables	3,335,549	3,359,418
Other payables - other	141,849	256,164
	$ 12,242,147	$ 12,047,108

As of December 31, 2025 and 2024, the effective interest rate ranges of other financing payables were 2.12%-7.55% and 4.43%-7.58%, respectively.

Starting from 2025, the Group recognizes the carbon fee provision in accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC. As of December 31, 2025, the Group has recognized an amount of NT$7,936 thousand, which has been recorded under “Other Payables - Others.” The Group assessed that it was probable to obtain the approval for the self-determined reduction plan from the competent authority, and assessed that it was probable to meet the designated target of the current year. The Group expects to submit the implementation progress report of the self-determined reduction plan for the current year before April 30, 2026; therefore, the carbon fee provision was calculated based on the preferential rate.

26. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

WLC and its subsidiaries in the ROC adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, WLC and its subsidiaries in the ROC make monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

The Group recognized expenses of NT$379,839 thousand and NT$325,361 thousand for the years ended December 31, 2025 and 2024, respectively, which is based on the specified ratio in defined contributions plan.

b. Defined benefit plans

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

Cogne Acciai Speciali S.p.A. of the Group also adopts defined benefit plan.

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

	December 31	
	2025	2024
Present value of defined benefit obligation	$ 1,956,234	$ 2,109,947
Fair value of plan assets	(1,079,870)	(1,115,666)
Net defined benefit liabilities	$ 876,364	$ 994,281

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2024	$ 1,293,149	$ (1,036,090)	$ 257,059
Service cost			
Current service cost	166,869	-	166,869
Net interest expense (income)	25,482	(13,014)	12,468
Recognized in profit or loss	192,351	(13,014)	179,337
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(95,643)	(95,643)
Actuarial gain - changes in financial assumptions	(19,854)	-	(19,854)
Actuarial loss - experience adjustments	10,967	-	10,967
Recognized in other comprehensive loss	(8,887)	(95,643)	(104,530)
Contributions from the employer	-	(64,204)	(64,204)
Benefits paid	(267,479)	93,285	(174,194)
Acquisitions through business combinations	921,320	-	921,320
Exchange difference	(20,507)	-	(20,507)
Balance at December 31, 2024	2,109,947	(1,115,666)	994,281
Service cost			
Current service cost	162,077	-	162,077
Net interest expense (income)	44,700	(16,813)	27,887
Recognized in profit or loss	206,777	(16,813)	189,964
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(79,868)	(79,868)
Actuarial loss - changes in financial assumptions	8,201	-	8,201
Actuarial loss - experience adjustments	14,059	-	14,059
Recognized in other comprehensive income (loss)	22,260	(79,868)	(57,608)
Contributions from the employer	-	(10,461)	(10,461)
Benefits paid	(460,062)	142,938	(317,124)
Exchange difference	77,499	-	77,499
Balance at December 31, 2025	$ 1,956,234	$ (1,079,870)	$ 876,364

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans are as follows:

	For the Year Ended December 31	
	2025	2024
Operating costs	$ 119,666	$ 129,825
Selling and marketing expenses	15,086	10,935
General and administrative expenses	55,153	38,488
Research and development expenses	59	89
	$ 189,964	$ 179,337

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

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

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

	December 31	
	2025	**2024**
Discount rates	1.25%-3.10%	1.50%-3.00%
Expected rates of salary increase	1.85%-2.25%	2.25%-2.50%

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

	December 31	
	2025	**2024**
Discount rates		
0.5% increase	$ (32,158)	$ (38,101)
0.5% decrease	$ 33,940	$ 40,270
Expected rates of salary increase		
0.5% increase	$ 32,982	$ 39,163
0.5% decrease	$ (31,571)	$ (37,431)

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

27. EQUITY

	December 31	
	2025	2024
Share capital		
Ordinary shares	$ 44,313,329	$ 40,313,329
Capital surplus	37,354,983	33,592,347
Retained earnings	60,375,913	58,953,272
Others	23,809,009	4,389,938
Non-controlling interests	10,244,034	10,218,580
	$ 176,097,268	$ 147,467,466

a. Share capital

Ordinary shares

	December 31	
	2025	2024
Number of authorized shares (in thousands)	6,500,000	6,500,000
Amount of authorized shares	$ 65,000,000	$ 65,000,000
Number of issued and fully paid shares (in thousands)	4,431,333	4,031,333
Amount of issued shares	$ 44,313,329	$ 40,313,329

As of December 31, 2025, the paid-in capital of WLC was NT$44,313,329 thousand, divided into 4,431,333 thousand ordinary shares at par value of NT$10.

As of December 31, 2025, 21 thousand GDRs of WLC were traded on the Luxembourg Stock Exchange. The number of ordinary shares represented by the GDRs was 212 thousand shares (one GDR represents 10 ordinary shares).

On January 6, 2025, the board of directors of WLC resolved to issue 400,000 thousand ordinary shares with a par value of NT$10, for a consideration of NT$19 per share, which increased the share capital issued and fully paid to NT$44,313,329 thousand. On April 10, 2025, the aforementioned cash capital increase was approved by the FSC and the subscription base date was determined by the board of directors to be June 24, 2025, and the amendment of registration was completed on September 11, 2025. The expenditure for the cash capital increase and the issuance of new shares of NT$7,935 thousand was a necessary issuance cost and was recognized as a deduction from the capital reserve for the issuance premium.

b. Capital surplus

	December 31	
	2025	2024
May be used to offset a deficit, distributed as cash dividend or transferred to share capital (Note)		
Issuance of ordinary shares	$ 31,155,014	$ 27,562,949
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	2,130	2,130

(Continued)

	December 31	
	2025	2024
Share of changes in capital surplus of associates	$ 521,797	$ 428,949
Treasury share transactions	2,254,074	2,254,074
Gain on disposal of property, plant and equipment	2,074,231	2,074,231
Others	1,055,937	1,045,014
May not be used for any purpose		
Employee stock options	291,800	225,000
	$ 37,354,983	$ 33,592,347

(Concluded)

Note: The premium from shares issued in excess of par (share premium from issuance of ordinary shares, conversion of bonds and treasury share transactions) and donations may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Group's capital surplus and to once a year).The capital surplus arises from changes in capital surplus of associates accounted for using the equity method, employee share options and share warrants may not be used for any purposes.

c. Retained earnings and dividend policy

Under the dividends policy where WLC 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 this requirement is not applicable when the legal reserve has reached the total capital, and then any remaining profit together with prior unappropriated earnings shall be appropriated for special reserve or appropriate reversal of special reserve in accordance with the laws and regulations, and then the balance shall be used by WLC's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends to shareholders. If appropriated earnings are distributed in cash, the cash distribution shall be resolved by WLC's board of directors and reported in the shareholders' meeting. Other than the aforementioned regulations, the distribution shall be after deducting share of profit of associates accounted for using the equity method and adding cash dividends of associates accounted for using the equity method. WLC shall reserve no lesser than 40% of the balance amount as shareholders' profit after offsetting its loss and tax payments in the previous year, capital reserve, and special reserve adjusted by the accumulated net deduction of other equity. The profits shall be distributed in cash or in form of shares; cash dividends shall not be lesser than 70% of the total dividends.

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

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by WLC.

Refer to Note 29 for the policies on the distribution of employees' compensation and remuneration of directors.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	2024	2023	2024	2023
Legal reserve	$ 280,354	$ 526,862	$ -	$ -
Cash dividends	2,015,666	4,434,466	0.5	1.1
	$ 2,296,020	$ 4,961,328		

The above appropriations for cash dividends were approved by WLC's board of directors on February 21, 2025 and February 23, 2024, and the other appropriations were approved at the shareholders meeting on May 16, 2025 and May 17, 2024, respectively.

The appropriation of earnings for 2025, which was approved in the shareholders' meeting on February 26, 2026, was as follows:

	For the Year Ended December 31, 2025
Legal reserve	$ 343,189
Cash dividends	$ 2,215,666
Cash dividends per share (NT$)	$ 0.5

The above appropriations for cash dividends was approved by WLC's board of directors, the other are pending resolution at the shareholders meeting on May 16, 2026.

d. Special reserve

	December 31	
	2025	2024
Special reserve	$ 2,712,250	$ 2,712,250

Information regarding the above special reserve did not change for the years ended December 31, 2025 and 2024.

e. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Year Ended December 31	
	2025	2024
Balance at January 1	$ (349,614)	$ (4,948,056)
Share from exchange difference of associates accounted for using the equity method	(2,043,146)	4,598,442
Balance at December 31	$ (2,392,760)	$ (349,614)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (the New Taiwan dollar) were recognized directly in other comprehensive income and accumulated in the exchange differences on the translation of the financial statements of foreign operations. Exchange differences previously accumulated in the exchange differences on the translation of the financial statements of foreign operations were reclassified to profit or loss when disposing foreign operation.

2) Unrealized valuation gain (loss) on financial assets at FVOCI

	For the Year Ended December 31	
	2025	2024
Balance at January 1	$ 8,058,069	$ 14,068,677
Unrealized gain (loss) - equity instruments	9,703,500	(190,882)
Share from associates accounted for using the equity method	11,900,068	(5,744,846)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	(211,148)	(74,880)
Balance at December 31	$ 29,450,489	$ 8,058,069

3) Loss on hedging instruments

	For the Year Ended December 31	
	2025	2024
Cash flow hedges		
Balance at January 1	$ (83,438)	$ (65,100)
Gain (loss) on hedging instruments	611	(18,338)
Balance at December 31	$ (82,827)	$ (83,438)

4) Other equity - others

	For the Year Ended December 31	
	2025	2024
Balance at January 1	$ (3,235,079)	$ (2,774,650)
Changes in percentage of ownership interests in subsidiaries	-	(460,429)
Changes in capital surplus from investments in associates accounted for using the equity method	69,186	-
Balance at December 31	$ (3,165,893)	$ (3,235,079)

28. OPERATING REVENUE

	For the Year Ended December 31	
	2025	2024
Sales revenue	$ 168,232,679	$ 173,942,539
Sales of real estate	1,124	3,868
Other revenue	6,009,092	5,371,933
	$ 174,242,895	$ 179,318,340

29. NET PROFIT FROM CONTINUING OPERATIONS

a. Non-operating income and expense - gain on disposal of investments

	For the Year Ended December 31	
	2025	2024
Gain on disposal of associates	$ 94,298	$ 676,863
Gain on disposal of investments - non-iron commodity futures	689,025	462,352
Gain (loss) on disposal of investments - foreign exchange forward contracts	239,274	(2,280)
(Loss) gain on disposal of investment - exchange rate swap contracts	(495,979)	35,401
Loss on disposal of investment - future options	(226)	(5,251)
	$ 526,392	$ 1,167,085

b. Non-operating income and expense - impairment loss (recognized) reversed

	For the Year Ended December 31	
	2025	2024
Impairment loss (recognized) reversed on property, plant and equipments	$ (996)	$ 23,919
Others	(34)	(42)
	$ (1,030)	$ 23,877

c. Employee benefits expense, depreciation and amortization

	For the Year Ended December 31, 2025			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Short-term employment benefits	$ 7,044,070	$ 3,642,261	$ -	$ 10,686,331
Post-employment benefits	$ 397,065	$ 172,738	$ -	$ 569,803
Other employee benefits	$ 1,336,032	$ 604,478	$ -	$ 1,940,510
Depreciation				
Property, plant and equipments	$ 5,476,813	$ 888,261	$ -	$ 6,365,074
Right-of-use assets	519,002	159,890	-	678,892
Investment properties	450,532	2,028	-	452,560
	$ 6,446,347	$ 1,050,179	$ -	$ 7,496,526
Amortization	$ 1,079,060	$ 114,604	$ -	$ 1,193,664

	For the Year Ended December 31, 2024			
	Operating Costs	**Operating Expenses**	**Non-operating Expenses and Losses**	**Total**
Short-term employment benefits	$ 6,019,445	$ 3,171,744	$ -	$ 9,191,189
Post-employment benefits	$ 354,150	$ 150,548	$ -	$ 504,698
Other employee benefits	$ 1,043,373	$ 497,106	$ -	$ 1,540,479
Depreciation				
Property, plant and equipments	$ 6,428,619	$ 821,687	$ -	$ 7,250,306
Right-of-use assets	338,213	151,149	-	489,362
Investment properties	462,071	2,179	-	464,250
	$ 7,228,903	$ 975,015	$ -	$ 8,203,918
Amortization	$ 1,317,996	$ 148,525	$ -	$ 1,466,521

d. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company already to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of 0.7% of the compensation of employees as compensation distributions for non-executive employees. For the years ended December 31, 2025 and 2024, the employees' compensation amounted to NT$47,500 thousand and NT$47,470 thousand, respectively, and the remuneration of directors amounted to NT$15,300 thousand and NT$14,450 thousand, respectively. The compensation of employees and the remuneration of directors for the years ended December 31, 2025 and 2024 were approved by the Group's board of directors on February 26, 2026 and February 21, 2025, respectively.

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the issuance date of the annual consolidated financial statements are adjusted in the year the compensation and remuneration were recognized. If there is a change in the amounts after the issuance date of the annual consolidated financial statements, the differences will be recorded as a change in the accounting estimate in the next year.

The employees' compensation and the remuneration of directors for 2024 and 2023 resolved by WLC's board of directors on February 21, 2025 and February 23, 2024, respectively, are the same as the amounts recognized in the 2024 and 2023 consolidated financial statements.

	For the Year Ended December 31			
	2024		2023	
	Employees' Compensation	Remuneration of Directors	Employees' Compensation	Remuneration of Directors
Amounts resolved in board of directors	$ 47,470	$ 14,450	$ 70,700	$ 30,000
Amounts recognized in respective financial statements	47,470	14,450	70,700	30,000
	$ -	$ -	$ -	$ -

Information on the employees' compensation and remuneration of directors resolved by WLC's board of directors in 2025 and 2024 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

30. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax (benefit) expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	$ 1,151,990	$ 689,226
Unappropriated earnings	-	3
Adjustments for prior year	556,486	(83,013)
Land value-added tax	1,056	-
	1,709,532	606,216
Deferred tax		
In respect of the current year	(1,886,827)	(715,926)
Adjustments for prior year	(530,754)	56,423
	(2,417,581)	(659,503)
Income tax benefit recognized in profit or loss	$ (708,049)	$ (53,287)

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

	For the Year Ended December 31	
	2025	2024
Profit before tax from continuing operations	$ 1,631,367	$ 2,531,094
(Benefit) expense tax expense calculated at the statutory rate	$ (510,447)	$ (555,337)
Investment income accounted for using equity method	301,953	361,001
Tax-exempt dividend income	(140,194)	(125,181)
Others	(447,832)	237,348
Unrecognized loss carryforwards/deductible temporary differences	61,683	55,469

(Continued)

	For the Year Ended December 31	
	2025	2024
Adjustments for prior years' tax	$ 25,732	$ (26,590)
Income tax on unappropriated earnings	-	3
Land value-added tax	1,056	-
Income tax benefit recognized in profit or loss	$ (708,049)	$ (53,287)

(Concluded)

The governments of the Singapore, United Kingdom, Luxembourg, Germany, France, Sweden, Switzerland, Italy, Turkey, South Korea, Malaysia, Hong Kong, Brazil, and Indonesia, where some of WLC's subsidiaries are registered, enacted the Pillar Two income tax legislation with immediate effect. Under the legislation, some of WLC's subsidiaries will be required to pay, in the above countries, a top-up tax on the profits of its subsidiaries that are taxed at an effective tax rate of less than 15 %. The Group's current tax expense related to Pillar Two income taxes for the years ended December 31, 2025 and 2024 were NT$72,335 thousand and NT$0 thousand, respectively.

b. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable (recorded under other current and other non-current assets - others)	$ 161,172	$ 413,135
Current tax liabilities		
Income tax payable	$ 2,024,898	$ 2,545,752

c. Deferred tax assets and liabilities

	December 31	
	2025	2024
Deferred tax assets		
Loss carryforwards	$ 5,537,844	$ 3,561,405
Pension expense overlimit	56,035	3,038
Unrealized loss on inventories write-down	182,430	143,703
Loss on idle capacity	53,302	-
Unrealized deferred gross profit	638	251
Unrealized impairment loss on long-term investments	7,000	7,000
Difference between financial and tax accounting of the depreciation of property, plant and equipment	2,276	3,985
Prepaid expense	73,025	569,062
Loss on liquidation of investments	985,653	439,000
Other	1,327,544	1,642,137
	$ 8,225,747	$ 6,369,581

(Continued)

	December 31	
	2025	2024
Deferred tax liabilities		
Difference between financial and tax accounting of the depreciation of property, plant and equipment	$ (847,484)	$ (100,578)
Provision for land value-added tax	(131,132)	(136,509)
Unrealized gain on investments	(5,082,586)	(5,443,667)
Others	(255,990)	(1,197,853)
	$ (6,317,192)	$ (6,878,607)

(Concluded)

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

	December 31	
Loss Carryforwards	**2025**	**2024**
Expiry in 2025	$ -	$ 2,849
Expiry in 2026	3,933	5,535
Expiry in 2027	24,837	25,786
Expiry in 2028	29,038	29,617
Expiry in 2029	3,106	-
Expiry in 2030	31,776	3,076
	$ 92,690	$ 66,863

e. As of December 31, 2025, the Group's tax loss carryforwards were as follows:

Expiry Year	**Tax Loss Carryforwards**
2026	$ 59,211
2027	261,378
2028	462,932
2029	1,527,696
2030	163,274
2031	10,402
2032	710,947
2033	662,373
2034	735
Indefinite	1,678,896
	$ 5,537,844

f. WLC's income tax returns through 2022, have been assessed by the tax authorities.

31. EARNINGS PER SHARE

	For the Year Ended December 31					
	2025			2024 (Restated)		
	Amounts (Numerator) After Income Tax (Attributable to Parent's Shareholders)	Shares (Denominator) (In Thousands)	Earnings Per Share (In Dollars) After Income Tax (Attributable to Parent's Shareholders)	Amounts (Numerator) After Income Tax (Attributable to Parent's Shareholders)	Shares (Denominator) (In Thousands)	Earnings Per Share (In Dollars) After Income Tax (Attributable to Parent's Shareholders)
Basic earnings per share						
Net income	$ 3,179,950	4,240,648	$ 0.75	$ 2,783,634	4,031,333	$ 0.69
Effect of potentially dilutive ordinary shares						
Employees compensation	-	1,660		-	2,292	
	$ 3,179,950	4,242,308	$ 0.75	$ 2,783,634	4,033,625	$ 0.69

32. SHARE-BASED PAYMENT ARRANGEMENTS

Issuance of ordinary shares in 2025 reserved employee stock options during 2025

On April 10, 2025, the FSC approved the cash capital increase and issuance of 400,000 thousand ordinary shares, which was approved by the board of directors of the Group, and reserved 10% of the total number of issued shares for subscription by employees.

The Group recognized the compensation cost of the aforementioned cash capital increase employee stock options using the Black-Scholes valuation model, amounting to NT$66,800 thousand, fully vested as of the grant date. The parameters used in the valuation model are as follows:

	Grant Date June 9, 2025
Grant date share price	$20.50
Exercise price	$19.00
Expected volatility	48.61%
Expected life	11 days
Risk-free interest rate	1.27%

33. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
PT Walsin Everising Specialty Steal Indonesia	Production and processing of specialty metals	October 21, 2025	21.50	$ 280,644
Hangzhou Walsin Power Cable & Wire Co., Ltd. and Subsidiary	Manufacture and sale of cables and wires	February 29, 2024	60.00	$ 1,341,944
Com.Steel Inox S.p.A.	Stainless steel and nickel-based alloy recycling and processing	May 3, 2024	65.00	$ 841,200
DMV GmbH and subsidiaries	Manufacturing stainless steel and nickel-based alloy tube	November 1, 2024	100.00	$ 4,020,514

In order to support the overseas expansion strategy for stainless steel wire products and to enhance its brand value, the Group acquired 21.50% of the shares of PT Walsin Everising Specialty Steal Indonesia for an increase in capital through cash of NT$280,644 thousand on October 21, 2025. The Group now holds 51% of the shares of PT Walsin Everising Specialty Steal Indonesia.

In order to enter the high-voltage land cable markets, the Group acquired 60% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd. and its subsidiary Hangzhou Futong Electric Industries Co., Ltd. for a cash consideration of NT$1,341,944 thousand on February 29, 2024. The Group now holds 100% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd. and its subsidiary.

In order to strengthen the critical material supply chain for stainless steel production and establish a knowledge center for the management of stainless steel scrap, Cogne Acciai Speciali S.p.A. acquired 65% of the shares of Com.Steel Inox S.p.A. for a cash consideration of NT$841,200 thousand on May 3, 2024.

In order to integrate the downstream industrial chain and improve steelmaking capacity utilization, Cogne Acciai Speciali S.p.A. acquired 100% of the shares of DMV GmbH for a cash consideration of NT$4,020,514 thousand on November 1, 2024.

b. Consideration transferred

	PT Walsin Everising Specialty Steal Indonesia	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Com.Steel Inox S.p.A.	DMV GmbH
Cash	$ 280,644	$ 1,341,944	$ 841,200	$ 4,020,514
Fair value of the original holding shares (Note 1)	187,269	766,681	-	-
Contingent consideration arrangement (Note 2)	-	-	100,313	-
	$ 467,913	$ 2,108,625	$ 941,513	$ 4,020,514

Note 1: The Group originally held ownership interests of 29.50% in PT Walsin Everising Specialty Steel Indonesia and 40.00% in Hangzhou Walsin Power Cable & Wire Co., Ltd.

Note 2: According to the agreement of acquisition, the Group is required to make additional payments of EUR4,000 thousand if Com.Steel Inox S.p.A.'s earnings before interest, tax, depreciation and amortization from the settlement date to 2026 exceed EUR18,000 thousand. Based on the results of the financial forecast, the management of the Group believes that it is probable to make this payment. The fair value of this obligation at the date of acquisition was estimated at NT$100,313 thousand.

The related acquisition costs were excluded from the consideration transferred and were recognized as other expenses.

c. Assets acquired and liabilities assumed at the date of acquisition

	PT Walsin Everising Specialty Steal Indonesia	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Com.Steel Inox S.p.A.	DMV GmbH
Current assets				
Cash and cash equivalents	$ 552,437	$ 136,811	$ 55,137	$ 32,924
Net notes receivables	-	44,099	-	-
Net trade receivables	-	1,159,996	1,089,876	1,751,357
Other receivables	269,638	9,325	555	452,663
Inventories	-	699,470	556,687	5,572,201
Other current assets	62,468	66,064	14,953	-
Non-current assets				
Investments accounted for using the equity method	16,517	-	-	-
Property, plant and equipment	757,751	767,328	91,663	2,053,287
Right-of-use assets	-	443,738	133,462	357,027
Other intangible assets	-	40,004	296,358	4,208
Deferred tax assets	-	89,184	-	337,738
Other non-current assets	-	255,729	4,389	22,893
Current liabilities				
Short-term borrowings	-	(222,276)	(612,965)	-
Notes payables	-	(242,424)	-	-
Trade payables	(179)	(407,203)	(308,849)	(2,308,748)
Other payables	(738,382)	(178,630)	(703,394)	-
Current tax liabilities	-	-	(32,346)	-
Lease liabilities - current	-	-	(17,219)	-
Other current liabilities	-	(377,670)	(3,836)	(872,715)
Non-current liabilities				
Long-term payable	-	-	-	(948,262)
Deferred tax liabilities	-	(173,017)	(82,613)	(57,886)
Lease liabilities - non-current	-	-	(116,243)	(293,983)
Defined benefit liabilities - non-current	-	-	(3,668)	(917,652)
Other non-current liabilities	-	(1,903)	-	(316,820)
	$ 920,250	$ 2,108,625	$ 361,947	$ 4,868,232

The contingent liabilities assumed by DMV GmbH were due to a detailed plan for restructuring, which was initially measured at a fair value of NT$348,212 thousand at the acquisition date (classified as other current liabilities), when the fair value of the present obligation resulting from past events could be reliably measured. As of December 31, 2025 and 2024, the contingent liabilities assumed by the Group due to the aforementioned business combination amounted to NT$369,000 thousand and NT$341,608 thousand, respectively.

The purchase price allocation reports of Hangzhou Walsin Power Cable & Wire Co., Ltd., Com.Steel Inox S.p.A. and DMV GmbH have been finalized before the date of issuance of these consolidated financial statements and therefore adjusted to the fair value as the tax value of the Companies.

The accounting treatment of PT Walsin Everising Specialty Steal Indonesia is provisional as of the balance sheet date. At of the date of issuance of these consolidated financial statements, the necessary market valuations and other calculations have not been finalized. The amounts may change upon the issuance of the purchase price allocation report.

d. (Gain on bargain purchase) goodwill recognized on acquisitions.

	PT Walsin Everising Specialty Steal Indonesia	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Com.Steel Inox S.p.A.	DMV GmbH
Consideration transferred	$ 467,913	$ 2,108,625	$ 941,513	$ 4,020,514
Plus: Non-controlling interests	450,923	-	126,681	-
Less: Fair value of identifiable net assets acquired	(920,250)	(2,108,625)	(361,947)	(4,868,232)
Effects foreign currency exchange difference	1,414	-	-	-
Goodwill recognized on acquisitions (gain from bargain purchase)	$ -	$ -	$ 706,247	$ (847,718)

The goodwill from the acquisition was expected not to be recognized as tax-deductible, and the acquired gain from the bargain purchase was recognized as other income.

The non-controlling interest of Com.Steel Inox S.p.A. is measured at NT$126,681 thousand based on the proportion of identifiable net assets attributable to the acquiree on the acquisition date.

e. Net cash (inflow) outflow on the acquisition of subsidiaries

	PT Walsin Everising Specialty Steal Indonesia	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Com.Steel Inox S.p.A.	DMV GmbH
Consideration paid in cash	$ 280,644	$ 1,341,944	$ 841,200	$ 4,020,514
Less: Cash and cash equivalent balance acquired	(552,437)	(136,811)	(55,137)	(32,924)
Acquired net cash (inflow) outflow from subsidiaries	$ (271,793)	$ 1,205,133	$ 786,063	$ 3,987,590

f. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, were as follows:

	PT Walsin Everising Specialty Steal Indonesia	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Com.Steel Inox S.p.A.	DMV GmbH
	2025.10.21-2025.12.31	2024.02.29-2024.12.31	2024.05.03-2024.12.31	2024.11.01-2024.12.31
Operating revenue	$ -	$ 3,334,776	$ 377,266	$ 1,537,239
Net profit (loss)	$ 1,356	$ 26,276	$ 170,553	$ (99,265)

Had Hangzhou Walsin Power Cable & Wire Co., Ltd., Com.Steel Inox S.p.A. and DMV GmbH concluded the acquisitions at the beginning of 2024, the Group's revenue and profit for the year ended December 31, 2024 would have been NT$189,284,932 thousand and NT$2,633,642 thousand, respectively.

PT Walsin Everising Specialty Steal Indonesia concluded the increase in capital through cash at the beginning of 2025, the Group's revenue and profit for the year ended December 31, 2025 would have been NT$174,242,895 thousand and NT$2,342,521 thousand, respectively.

This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, nor is it intended to be a projection of future results.

34. OPERATING LEASE ARRANGEMENTS

Operating leases are related to leases of the emporium and the investment properties owned by the Group with lease terms between 5 and 10 years, with an option to extend for another 10 years. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to renew. The lessees do not have bargain purchase options to acquire the properties at the expiry of the lease periods.

As of December 31, 2025 and 2024, deposits received under operating leases amounted to NT$374,332 thousand and NT$383,494 thousand, respectively (recorded under other non-current liabilities).

As of December 31, 2025, the Group's future minimum lease receivables on non-cancelable operating lease commitments are as follows:

	Amount
2026	$ 1,411,388
2027-2030	2,885,078
After 2031	742,368
	$ 5,038,834

35. CAPITAL MANAGEMENT

The Group's capital management objective is to ensure that it has the necessary financial resources and operational plan so that it can cope with the next 12 months working capital requirements, capital expenditures, debt repayments and dividends spending.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Group (comprising issued capital, reserves, retained earnings and other equity).

Key management personnel of the Group review the capital structure on a quarterly basis. As part of this review, the key management personnel, consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

36. FINANCIAL INSTRUMENTS

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

Except the following assets and liabilities, the management considers that the carrying amounts of financial assets and financial liabilities not recognized at fair value approximate to their fair values.

December 31, 2025

	Carrying Amount	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Fair Value Total
Financial assets					
Financial assets at amortized cost					
Corporate bonds	$ 339	$ -	$ -	$ 339	$ 339
Mutual funds	501	-	-	501	501
Government bonds	125,468	-	125,468	-	125,468
	$ 126,308	$ -	$ 125,468	$ 840	$ 126,308
Financial liabilities					
Financial liabilities at amortized cost					
Bonds payable	$ 12,855,387	$	$ 12,458,881	$	$ 12,458,881

December 31, 2024

	Carrying Amount	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Fair Value Total
Financial assets					
Financial assets at amortized cost					
Corporate bonds	$ 15	$ -	$ -	$ 15	$ 15
Mutual funds	715	-	-	715	715
Government bonds	139,190	8,650	129,989	-	138,639
	$ 139,920	$ 8,650	$ 129,989	$ 730	$ 139,369
Financial liabilities					
Financial liabilities at amortized cost					
Bonds payable	$ 12,953,139	$ -	$ 12,556,633	$ -	$ 12,556,633

The fair values of the financial assets and financial liabilities included in the Level 2 and Level 3 categories above have been determined in accordance with the income approach based on a discounted cash flow analysis. The observable inputs included bond duration, bond interest rates and credit rating. The significant unobservable input used in Level 3 is the discount rate that reflects the credit risk of counterparties.

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

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives not designated as hedging instruments	$ 456,335	$ 17,794	$ -	$ 474,129
Foreign unlisted shares			57,609	57,609
Derivatives financial assets for hedging		17,155	-	17,155
	$ 456,335	$ 34,949	$ 57,609	$ 548,893
Financial assets at FVTOCI				
Investments in equity instruments				
Listed securities in ROC	$ 26,952,313	$ -	$ -	$ 26,952,313
Unlisted securities	-	-	1,052,972	1,052,972
	$ 26,952,313	$ -	$ 1,052,972	$ 28,005,285
Financial liabilities at FVTPL				
Derivatives not designated as hedging instruments	$ -	$ 1,671	$ -	$ 1,671
Contingent consideration	-	-	127,195	127,195
Derivatives financial liabilities for hedging	-	90,458	-	90,458
	$ -	$ 92,129	$ 127,195	$ 219,324

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives not designated as hedging instruments	$ -	$ 5,677	$ -	$ 5,677
Foreign unlisted shares	-	-	66,607	66,607
Derivatives financial assets for hedging	-	32,237	-	32,237
	$ -	$ 37,914	$ 66,607	$ 104,521

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Listed securities in ROC	$ 17,718,239	$ -	$ -	$ 17,718,239
Unlisted securities	-	-	921,870	921,870
	$ 17,718,239	$ -	$ 921,870	$ 18,640,109
Financial liabilities at FVTPL				
Derivatives not designated as hedging instruments	$ 322,273	$ 34,323	$ -	$ 356,956
Contingent consideration	-	-	563,583	563,583
Derivatives financial liabilities for hedging	-	16,302	-	16,302
	$ 322,273	$ 50,625	$ 563,853	$ 936,481

(Concluded)

There were no transfers between Levels 1, 2 and 3 for the years ended December 31, 2025 and 2024.

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

For the year ended December 31, 2025

	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2025	$ 921,870
Recognized in other comprehensive income	132,604
Effects of exchange rate changes	(1,502)
Balance at December 31, 2025	$ 1,052,972

	Financial Assets at FVTPL	
	Financial Assets	Financial Liabilities
Balance at January 1, 2025	$ 66,607	$ 563,853
Recognized in profit or loss	(23,955)	(459,419)
Effects of exchange difference	14,957	22,761
Balance at December 31, 2025	$ 57,609	$ 127,195

For the year ended December 31, 2024

	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2024	$ 920,810
Additions	54,121
Recognized in other comprehensive loss	(57,155)
Effects of exchange rate changes	4,094
Balance at December 31, 2024	$ 921,870

	Financial Assets at FVTPL	
	Financial Assets	Financial Liabilities
Balance at January 1, 2024	$ 2,693,826	$ 484,429
Additions	(1,463,430)	100,313
Recognized in profit or loss	(1,198,363)	(21,205)
Effects of exchange difference	34,574	46
Balance at December 31, 2024	$ 66,607	$ 563,853

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

Financial Instruments	Valuation Technique and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates and discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - exchange rate swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates and discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - interest rate contracts	Discounted cash flow. Future cash flows are estimated based on observable floating rates at the end of the reporting period and fixed interest rates under contracts.
Derivatives - option	Black-Scholes Model. The significant unobservable input value is the market price volatility of the commodity.
Derivatives - gas swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward gas prices at the end of the reporting period and fixed gas prices under contract.

(Continued)

Financial Instruments	Valuation Technique and Inputs
Derivatives - electricity swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward electricity prices at the end of the reporting period and fixed power prices under contract.
Derivatives - Nickel swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward Nickel prices at the end of the reporting period and fixed Nickel prices under contract.

(Concluded)

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

Financial Instruments	Valuation Technique and Inputs
Unlisted equity securities	Market approach. Fair values are determined based on observable and comparable companies' fair values at the end of the reporting period, adjusted by price earnings ratio and price-to-book ratio of the investees.
	Net asset method. Fair values are determined based on the book value of companies.
	Discounted cash flow. Present values are determined based on future cash flows discounted at market yield.
Contingent consideration	The estimated fair value is discounted according to the probability of reaching the agreed conditions and based on the credit risk discount rate and other information.

c. Categories of financial instruments

	December 31	
	2025	2024
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	$ 12,490,915	$ 10,757,417
Contract assets - current	550,281	571,669
Notes receivable and trade receivables (including related parties)	15,822,459	15,494,085
Finance lease receivables (current and non-current)	498,565	540,457
Other receivables	6,749,265	5,286,906
Other financial assets (current and non-current)	5,108,254	4,854,119
Refundable deposits	473,122	785,147
Financial assets at amortized cost (current and non-current)	126,308	139,920
Derivative financial assets for hedging (current and non-current)	1,741,551	263,261
Financial assets at FVTPL (current and non-current)	531,738	72,284
Financial assets at FVTOCI (current and non-current)	28,005,285	18,640,109

(Continued)

	December 31	
	2025	2024
Financial liabilities		
Financial liabilities at FVTPL (current and non-current)	$ 128,866	$ 920,179
Derivative financial liabilities for hedging (current and non-current)	90,458	16,302
Financial liabilities at amortized cost		
Short-term borrowings	11,115,692	17,909,079
Short-term bills payable	-	3,145,773
Contract liabilities	259,459	165,913
Notes payable and trade payables	12,625,336	14,784,152
Other payables	12,242,147	12,047,108
Bonds payable	12,855,387	12,953,139
Long-term borrowings (including current portion)	55,186,138	43,272,301
Long-term notes and bills payable	1,999,212	-
Long-term notes and bills payable (recorded under other current and non-current liabilities)	3,958,136	3,497,576
Deposits received (recorded under other current and non-current liabilities)	453,436	456,837

(Concluded)

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and investments, borrowings, trade receivables, and trade payables. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provides written principles on foreign exchange risk, interest rate risk and credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments for speculative purposes.

1) Market risk

The Group's activities exposed is primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into foreign exchange forward contracts and interest rate swaps contracts to hedge foreign currency risk and interest rate risk.

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

a) Foreign currency risk

The Group has foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

It is the Group's policy to make the terms of the derivatives instruments match the terms of the hedged items and to maximize the hedge effectiveness.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the period are set out in Note 41.

The carrying amounts of the Group's derivatives exposed to foreign currency risk at the end of the reporting period were as follows:

	December 31	
	2025	**2024**
Assets		
U.S. dollar	$ 3,286,269	$ 3,374,661
Euro	1,639,672	4,355,906
Liabilities		
U.S. dollar	1,674,217	4,710,655
Euro	195,332	1,828,617

Sensitivity analysis

The Group is mainly exposed to the U.S. dollars.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e. functional currency) against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 1% change in foreign currency rates.

	U.S. Dollar Impact	
	For the Year Ended December 31	
	2025	**2024**
Profit or loss	$ 52,525	$ (21,936)

	Euro Dollar Impact	
	For the Year Ended December 31	
	2025	**2024**
Profit or loss	$ 21,858	$ 35,096

Hedge accounting

The Group's hedging strategy is to enter into foreign exchange forward contracts, foreign exchange swap contracts and foreign-currency deposits to avoid the exposure of its foreign currency receipts and payments and to the exchange rate and the procurement of significant capital expenditures in foreign currency. Those transactions are designated as cash flow hedges. When forecast purchases actually take place, basis adjustments are made to the initial carrying amounts of non-financial hedged items when the anticipated purchases take place.

December 31, 2025

Hedging Instrument/ Hedged Items	Notional Amount	Line Item in Balance Sheet	Carrying Amount	
			Asset	Liability
Cash flow hedges				
Foreign exchange forward contracts/forecast purchases	NT$821,206/ EUR22,814	Financial liability for hedging	$ -	$ 48,012
Hedging foreign-currency deposits/forecast purchases	NT$67,250/ EUR1,822	Financial assets for hedging	67,250	-
Exchange rate swap contracts/ anticipated sale contracts	RMB111,928/ EUR13,631	Financial assets for hedging	2,106	-
Hedging foreign-currency deposits/anticipated sale contracts	RMB370,598/ EUR45,000	Financial assets for hedging	1,657,146	-
Foreign exchange forward contracts/anticipated sale contracts	RMB675,951/ SGD120,292	Financial assets for hedging	30,508	-

Hedging Instrument/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedges				
Foreign exchange forward contracts/anticipated equipment purchase payment	$ (29,608)	$ 29,608	$ (29,608)	$ -
Foreign exchange forward contracts/anticipated sale contracts	(1,689,759)	1,689,759	(1,689,759)	-

For the year ended December 31, 2025

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedges					
Anticipated equipment purchase payment	$ 29,608	$ -	$ -	$ 274,103	$ -
Anticipated sale contracts	1,689,759	-	-	-	-

The key terms of forward foreign exchange contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
December 31, 2025			
Foreign exchange forward contracts	EUR/NTD	2026.01.02-2026.07.27	EUR22,814/ NTD821,206
Foreign exchange forward contracts	SGD/RMB	2026.01.05-2026.10.27	SGD120,292/ RMB675,951

The key terms of exchange rate swap contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
December 31, 2025			
Exchange rate swap contracts	EUR/RMB	2026.11.16	EUR13,631/ RMB111,928

December 31, 2024

Hedging Instrument/ Hedged Items	Notional Amount	Line Item in Balance Sheet	Carrying Amount	
			Asset	Liability
Cash flow hedges				
Foreign exchange forward contracts/forecast purchases	NT$2,504,847/ EUR73,488	Financial liability for hedging	$ -	$ 10,546
Hedging foreign-currency deposits/forecast purchases	NT$228,583/ EUR6,701	Financial assets for hedging	231,024	-

Hedging Instrument/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedges				
Foreign exchange forward contracts/anticipated equipment purchase payment	$ (10,546)	$ 10,546	$ (10,546)	$ -
Hedging foreign-currency deposits/anticipated equipment purchase payment	536	(536)	536	-

For the year ended December 31, 2024

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedges					
Anticipated equipment purchase payment	$ (10,010)	$ -	$ -	$ -	$ -

The key terms of forward foreign exchange contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
December 31, 2024			
Foreign exchange forward contracts	EUR/NTD	2025.01.20-2026.03.31	EUR73,488/ NTD2,504,847

b) Interest rate risk

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

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

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	$ 62,605	$ 139,190
Financial liabilities	12,855,387	12,953,139
Cash flow interest rate risk		
Financial assets	842	730
Financial liabilities	71,636,591	67,686,571

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for financial instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year.

If interest rates had been 1% basis points higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have decreased by NT$716,357 thousand and NT$676,858 thousand, respectively.

Hedge accounting

The Group entered into interest rate swap contracts to mitigate the risk of changes in interest rates on cash flow exposure related to its outstanding variable rate debt. Interest rate swaps are settled on a contract basis. The floating rate on interest rate swaps is Euro Interbank Offered Rate (Euribor). The Group will settle the difference between the fixed and floating interest rates on a net basis.

The following tables summarize the information relating to the hedges for interest rate risk.

For the year ended December 31, 2025

Hedging Instrument	Currency	Contract Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
							Asset	Liability	
Cash flow hedges									
Interest rate swap contracts	EUR	$ 55,340	2026.05.30-2030.12.18	-0.255%-3.505%	Note	Financial assets for hedging	$ 206	$ -	$ -

For the year ended December 31, 2024

Hedging Instrument	Currency	Contract Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
							Asset	Liability	
Cash flow hedges									
Interest rate swap contracts	EUR	$ 89,122	2026.06.30-2030.12.18	-0.255%-3.505%	Note	Financial assets for hedging	$ 491	$ -	$ -

Note: It is the three months interest rate of Euro Interbank Offered Rate (Euribor) on the second business day before the issuance date.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As of the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to financial guarantees provided by the Group, could be equal to the total of the following:

a) The carrying amount of the respective recognized financial assets as stated in the condensed balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst the approved counterparties. Credit exposure is controlled by setting credit limits that are reviewed and approved by the risk management committee annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each individual trade receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk was significantly reduced.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

a) The following table details the Group's expected maturities for its non-derivative financial liabilities with agreed upon repayment periods.

December 31, 2025

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Variable interest rate liabilities	$ 28,695,942	$ 17,615,684	$ 24,024,234	$ 9,305,570	$ 79,641,430
Lease liabilities	454,534	442,676	1,330,371	2,354,165	4,581,646
Fixed interest rate liabilities	7,555,387	-	3,000,000	2,300,000	12,855,387
Non-interest bearing liabilities	21,730,389	973,621	3,169,260	70,236	25,943,506
	$ 58,436,252	$ 19,031,981	$ 31,523,765	$ 14,029,971	$ 123,021,969

December 31, 2024

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
Non-derivative financial liabilities					
Variable interest rate liabilities	$ 30,328,393	$ 3,475,246	$ 30,842,350	$ 3,040,582	$ 67,686,571
Lease liabilities	672,658	427,282	1,001,237	2,460,063	4,561,240
Fixed interest rate liabilities	102,523	7,550,646	3,000,000	2,300,000	12,953,169
Non-interest bearing liabilities	23,705,612	797,967	2,839,489	83,187	27,426,255
	$ 54,809,186	$ 12,251,141	$ 37,683,076	$ 7,883,832	$ 112,627,235

b) The Group's expected maturities for its derivative financial instruments with agreed upon settlement dates were as follows:

December 31, 2025

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
Net settled						
Commodity futures contracts	$ (40,020)	$ 254,730	$ 241,625	$ -	$ -	$ 456,335
Foreign exchange forward contracts	(56,713)	31,779	25,224	-	-	290
Exchange rate swap contracts	(1,671)	-	2,106	-	-	435
Interest rate swap contracts	-	-	621	6,985	-	7,606
Gas swap contracts	(1,969)	(4,819)	(17,222)	(3,508)	-	(27,518)
Electricity swap contracts	1,137	(353)	(44,401)	(1,819)	-	(45,436)
Nickel swap contract	3,731	2,678	1,034	-	-	7,443
	$ (95,505)	$ 284,015	$ 208,987	$ 1,658	$ -	$ 399,155

December 31, 2024

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
Net settled						
Commodity futures contracts	$ (101,455)	$ (182,470)	$ (38,348)	$ -	$ -	$ (322,273)
Foreign exchange forward contracts	8,067	(25,551)	(26,559)	(826)	-	(44,869)
Exchange rate swap contracts	7,700	(2,023)	-	-	-	5,677
Interest rate swap contracts	-	-	-	14,210	2,453	16,663
Gas swap contracts	-	-	2,937	-	-	2,937
Electricity swap contracts	2,902	5,690	(1,311)	5,356	-	12,637
Nickel swap contract	(3,154)	(2,147)	(455)	-	-	(5,756)
	$ (85,940)	$ (206,501)	$ (63,736)	$ 18,740	$ 2,453	$ (334,984)

e. Transfers of financial assets

1) Transfers of financial assets with recourse

The Group discounted trade receivables with an aggregate carrying amount of $323,798 thousand and $387,387 thousand, to banks for the December 31, 2025 and 2024, respectively. According to the contract, if the trade receivables are not recoverable at maturity, the banks have the right to require that the Group pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to the trade receivables, the Group continues to recognize the full carrying amounts of the trade receivables and treats the trade receivables that have been transferred to banks as collateral for borrowings. Refer to Note 23.

As of December 31, 2025 and 2024, the carrying amount of these trade receivables that have been transferred but not derecognized were $66,572 thousand and $137,516 thousand, and the carrying amount of the related liabilities were $66,572 thousand and $85,999 thousand, respectively.

2) Transfers of financial assets without recourse

The relevant information of the Group's sales of trade receivables were as follows:

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
December 31, 2025					
CTBC bank	$ 19,088	$ -	US$ 2,700	$ -	-
Taipei Fubon bank	297,964	-	10,800	-	-
	$ 317,052	$ -	US$ 13,500	$ -	
December 31, 2024					
CTBC bank	$ 99,405	$ 6,494	US$ 2,700	$ -	-

37. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of WLC, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as below:

a. Related party name and category

Related Party Name	Related Party Category
Winbond Electronics Corp.	Associate
Walsin Technology Corp.	Associate
Walton Advanced Engineering, Inc.	Associate
Chin-Xin Investment Co., Ltd.	Associate
Changzhou China Steel Precision Materials Co., Ltd.	Associate
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Associate (Note 1)
Tsai Yi Corporation	Associate
Nuvoton Technology Corporation	Associate
Prosperity Dielectrics Co., Ltd.	Associate
Innovation West Mantewe Pte. Ltd.	Associate
Nuvoton Electronics Technology (H.K.) Limited	Associate
Nuvoton Electronics Technology (Nanjing) Limited	Associate
PT. Transcoal Minergy	Associate
PT. Walsin Everising Specialty Steel Indonesia	Associate (Note 2)
HannStar Display Corp.	Substantive related party
Kuang Tai Metal Industrial Co., Ltd.	Substantive related party
Hannstar Board Tech. (Jiangyin) Corp.	Substantive related party
HannStar Board Corp.	Substantive related party
Global Brands Manufacture Ltd.	Substantive related party
Info-Tek Corp.	Substantive related party
Hanns Touch Holdings Company	Substantive related party
Walsin Lihwa Sustainability Foundation	Substantive related party
Trefilados Inoxidables de Mexico, S.A. DE C.V.	Substantive related party
Ferriere di Stabio SA	Substantive related party
Novametal SA	Substantive related party
Novametal do Brasil LTDA	Substantive related party
Wire Products Stainless Steel PTY Ltd	Substantive related party
T.D.V. Trefileries des Vosges SA	Substantive related party
Novametal Europe Srl	Substantive related party
Novametal USA	Substantive related party
Dongguan Novametal Wire Co., LTD	Substantive related party

Note 1: The Group acquired Hangzhou Walsin Power Cable & Wire Co., Ltd. on February 29, 2024. As a result, the Group holds 100% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd., which has become a subsidiary of the Group. Refer to Notes 15 and 33.

Note 2: The Group increase capital in cash of PT. Walsin Everising Specialty Steel Indonesia on October 21, 2025. As a result, the Group holds 51.00% of the shares of PT. Walsin Everising Specialty Steel Indonesia, which has become a subsidiary of the Group. Refer to Notes 15 and 33.

b. Sales

	For the Year Ended December 31	
	2025	2024
Associates	$ 9,715	$ 101,100
Other related parties	4,207,495	5,367,537
	$ 4,217,210	$ 5,468,637

c. Rental income

	For the Year Ended December 31	
	2025	2024
Associates	$ 58,160	$ 60,363
Other related parties	-	1,259
	$ 58,160	$ 61,622

d. Purchases of goods

	For the Year Ended December 31	
	2025	2024
Associates	$ 8,784	$ 31,977
Other related parties	45,307	28,781
	$ 54,091	$ 60,758

e. Administrative expenses

	For the Year Ended December 31	
	2025	2024
Associates	$ 15,712	$ 16,060
Other related parties	16,170	15,662
	$ 31,882	$ 31,722

The share registration matters of WLC and related parties were handled together. The related fees allocated to the related parties were charged against general and administrative expenses.

f. Donation

	For the Year Ended December 31	
	2025	2024
Walsin Lihwa Sustainability Foundation	$ 21,500	$ -

g. Dividend income

	For the Year Ended December 31	
	2025	2024
HannStar Board Corp.	$ 148,084	$ -
HannStar Display Corp.	-	102,589
Other related parties	11,198	5,779
	$ 159,282	$ 108,368

h. Notes receivable

	December 31	
	2025	2024
Associates	$ 7,774	$ 6,735

i. Trade receivables

	December 31	
	2025	2024
Associates	$ 995	$ 1,155
Other related parties	294,451	581,185
	$ 295,446	$ 582,340

j. Trade payables

	December 31	
	2025	2024
Other related parties	$ 9,999	$ 4,517

k. Other receivables (excluding financing provided)

	December 31	
	2025	2024
Associates	$ 18,723	$ 16,958
Other related parties	3,851	2,882
	$ 22,574	$ 19,840

l. Financing provided

Financing provided for the years ended December 31, 2025 and 2024 were as follows:

	For the Year Ended December 31, 2025			
Related Parties	**Highest Balance for the Period**	**Ending Balance**	**Interest Income**	**Interest Rate**
Innovation West Mantewe Pte. Ltd.	$ 597,170	$ 597,170	$ 23,544	3.87%
PT. Walsin Everising Specialty Steel Indonesia	$ 849,553	$ 368,988	$ 11,828	4.70%

	For the Year Ended December 31, 2024			
Related Parties	**Highest Balance for the Period**	**Ending Balance**	**Interest Income**	**Interest Rate**
Hangzhou Walsin Power Cable & Wire Co., Ltd. (Note)	$ 684,108	$ 133,948	$ 2,443	3.18%
Innovation West Mantewe Pte. Ltd.	$ 667,173	$ 457,679	$ 9,844	4.52%
PT. Transcoal Minergy	$ 591,030	$ -	$ -	-
PT. Westrong Metal Industry	$ 585,212	$ -	$ -	-

m. Guarantee deposits

	December 31	
	2025	**2024**
Associates	$ 7,908	$ 7,362
Other related parties	-	282
	$ 7,908	$ 7,644

n. Remuneration of key management personnel

The remunerations of directors and key executives were as follows:

	For the Year Ended December 31	
	2025	**2024**
Short-term employee benefits	$ 155,801	$ 125,691
Post-employment benefits	1,335	1,267
	$ 157,136	$ 126,958

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

38. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collaterals for bank borrowings, tariff guarantee for imported raw material and the deposits for completing constructions and futures:

	December 31	
	2025	2024
Refundable deposits (recorded under other financial assets - current)	$ 10,235	$ 12,837
Restricted deposits (recorded under other financial assets - current)	130,969	246,794
Pledged time deposits (recorded under other financial assets - other)	1,505	1,562
Recorded under other financial assets - non-current	4,797,000	4,594,488
Finance lease receivables	69,362	64,183
Long-term finance lease receivables	429,203	476,274
Refundable deposits	57,795	52,537
Trade receivables	66,752	137,516
Buildings and improvements	5,615,801	6,238,661
Right-of-use assets - land	202,309	254,314
Investment properties	5,363,226	5,783,946
	$ 16,744,157	$ 17,863,112

39. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group at December 31, 2025 and 2024 were as follows:

a. Outstanding letters of credit not reflected in the consolidated financial statements as of December 31, 2025 and 2024 were as follows (in thousands):

	December 31	
	2025	2024
U.S. dollar	US$ 2,702	US$ 23,567
Japanese yen	JPY 50,136	JPY 10,050
Euro	EUR 2,772	EUR 5,569
Renminbi	RMB 2,230	RMB 2,939
New Taiwan dollar	NT$ 32,425	NT$ 19,919

b. Outstanding standby letters of credit and bid bonds of contingent liabilities not reflected in the consolidated financial statements were as follows (in thousands):

	December 31	
	2025	2024
New Taiwan dollar	NT$ 664,117	NT$ 860,611
U.S. dollar	US$ 40	US$ 60
Renminbi	RMB 22,832	RMB 26,310

c. Based on tariff and relevant regulations, the Group issue tariff letters of credit to import goods and to meet the needs of post-release duty payment. The amount of tariff letters of credit were as follows:

	December 31	
	2025	**2024**
New Taiwan dollar	NT$ 689,537	NT$ 433,000

d. Non-cancelable raw material procurement contracts were as follows:

	December 31	
	2025	**2024**
U.S. dollar	US$ 12,419	US$ 21,621
Renminbi	RMB 76,735	RMB 126,016

e. The Group entered into a contract for the construction of new plants on the Group's own land, the purchase of machinery and equipment, and technique licensing and authorization agreements. The amount of the unrecognized commitments was as follows:

	December 31	
	2025	**2024**
New Taiwan dollar	NT$ 2,173,783	NT$ 771,714
U.S. dollar	US$ 33,648	US$ 35,697
Renminbi	RMB 95,604	RMB 149,205
Euro	EUR 56,308	EUR 152,990
Indonesian rupiah	IDR 118,581,586	IDR 86,458,884

40. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In January 2026, WLC's board of directors approved a donation proposal to the Walsin Lihwa Sustainability Foundation, with a maximum donation amount of NT$22,200 thousand. As of the date the consolidated financial statements were authorized for issue, the payments have been made progressively based on the needs of the Walsin Lihwa Sustainability Foundation.

41. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
U.S. dollar	$ 146,098	31.4300	$ 4,591,860
Japanese yen	454,210	0.2008	91,205
Euro	20,176	36.9000	744,494

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Singapore dollar	$ 23,525	24.4500	$ 575,186
Hong Kong dollar	3,146	4.0380	12,704
Malaysian ringgit	46,915	7.4805	350,950
Renminbi	65,602	4.47155	293,343
Indonesian rupiah	1,248,133,952	0.00188	2,346,492
Korean won	1,061,460	0.02188	23,225
Non-monetary items			
U.S. dollar	43,675	31.4300	1,372,705
Renminbi	82,807	4.47155	370,276
Financial liabilities			
Monetary items			
U.S. dollar	30,270	31.4300	951,386
Renminbi	151,199	4.47155	676,094
Indonesian rupiah	492,607,538	0.00188	926,102
Non-monetary items			
U.S. dollar	53	31.4300	1,671

(Concluded)

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
U.S. dollar	$ 118,219	32.7850	$ 3,875,810
Japanese yen	702,716	0.2099	147,500
Euro	28,936	34.1400	987,875
Singapore dollar	4,939	24.1300	119,178
Hong Kong dollar	4,618	4.2220	19,497
Australian dollar	632	20.3900	12,886
Malaysian ringgit	32,803	7.06550	231,770
Renminbi	48,095	4.56072	219,348
Indonesian rupiah	1,284,059,241	0.00203	2,606,640
Korean won	929,895	0.02246	20,885
Turkish Lira	6,297	1.64317	10,347
Non-monetary items			
U.S. dollar	48,410	32.7850	1,587,122
Financial liabilities			
Monetary items			
U.S. dollar	144,378	32.7850	4,733,433
Renminbi	167,973	4.56072	766,078
Indonesian rupiah	537,962,245	0.00203	1,092,063
Non-monetary items			
U.S. dollar	9,253	32.7850	303,360
Renminbi	7,741	4.56072	35,305

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gain and (losses) were NT$205,774 thousand and NT$(39,658) thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies in the Group.

42. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and information on investees:

   1) Financing provided to others (Table 1)

   2) Endorsements/guarantees provided (Table 2)

   3) Marketable securities held (Table 3)

   4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 4)

   5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

   6) Information on investees (Table 6)

   7) Intercompany relationships and significant intercompany transactions (Table 8)

b. Information on investments in mainland China:

   1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 7)

   2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 8):

      a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year;

      b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year;

      c) The amount of property transactions and the amount of the resultant gains or losses;

      d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes;

      e) The highest balance, the ending period balance, the interest rate range, and total current period interest with respect to the financing of funds; and

      f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

43. SEGMENT INFORMATION

a. Basic information

1) Classification

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

a) Wires and cables

The segment's main products include copper rods, wires, connector and components which are sold to industries involving cables and wires, communications cable, heavy electronics, home electrical appliances and construction.

b) Stainless steel

The segment's main products include smelting, rolled stainless steel, carbon steel and precision alloy wire which are sold to industries involving construction components, crankshaft, machine tools, plumbing, heat exchanger, drainage, petrochemical and construction.

c) Resource

The segment's main business include nickel pig iron, sales of stainless steel products as an agent in Taiwan and important metal procurement and hedging.

d) Administration and investing

This segment primarily provides headquarters operational support, manages commercial real estate complexes and real estate properties, and offers rental, operating management and after-sales services. In addition, it is responsible for the management of other investee businesses.

2) Estimates of operating segment income and expenses, assets and liabilities

Accounting policies of operating segments are the same as those summarized in Note 4. Sales and transfers between segments are treated as transactions with third parties and evaluated at fair value.

The Group does not allocate income tax expense (benefit), investment income (loss) recognized under equity method, foreign exchange gain (loss), net investment income (loss), gain (loss) on disposal of investments, gain (loss) on valuation of financial assets and liabilities and extraordinary items to reportable segments. The amounts reported are consistent with the report used by chief operating decision makers.

3) Identification of operating segment

The reported segments of the Group are strategic business units, providing different products and services. They are managed separately because they use different technologies and sales strategies.

b. Financial information

1) Segment revenues and results:

(NT$ in Thousand)

	Wires and Cables	Stainless Steel	Resource Business	Administration and Investing	Total
For the year ended December 31, 2025					
Revenue from external customers	$ 47,734,878	$ 90,672,841	$ 31,374,068	$ 4,461,108	$ 174,242,895
Segment profit (loss)	3,992,453	(3,207,039)	280,262	(1,046,825)	18,851
Net non-operating income (expenses)					
Net interest (expenses) income					(1,935,579)
Share of profit of associates accounted for using the equity method					1,695,642
Dividend income					678,191
Loss on disposal of property, plant and equipment					(10,918)
Gain on disposal of investments					526,392
Foreign exchange gain					205,774
Gain on financial assets and liabilities at fair value through profit or loss					1,350,474
Impairment loss					(1,030)
Net other income					(896,430)
Consolidated income before income tax					$ 1,631,367
For the year ended December 31, 2024					
Revenue from external customers	46,323,325	94,615,312	33,554,592	4,825,111	$ 179,318,340
Segment profit (loss)	3,402,269	(662,798)	507,479	(966,127)	2,280,823
Net non-operating income (expenses)					
Net interest (expenses) income					(1,980,498)
Share of profit of associates accounted for using the equity method					813,749
Dividend income					627,462
Loss on disposal of property, plant and equipment					(19,529)
Gain on disposal of investments					1,167,085
Foreign exchange loss					(39,658)
Loss on financial assets and liabilities at fair value through profit or loss					(1,553,838)
Reversal of impairment loss					23,877
Net other income					1,211,621
Consolidated income before income tax					$ 2,531,094

2) Segment assets and liabilities

	Wires and Cables	Stainless Steel	Resource	Administration and Investing	Total
Segment assets					
December 31, 2025	$ 22,860,065	$ 93,293,666	$ 42,052,721	$ 145,210,594	$ 303,417,046
December 31, 2024	17,877,261	97,948,611	44,339,706	113,459,468	$ 273,625,046
Segment liabilities					
December 31, 2025	10,335,192	45,544,564	8,497,958	62,942,064	$ 127,319,778
December 31, 2024	7,907,383	60,901,734	7,441,119	49,907,344	$ 126,157,580

3) Geographical information

The Group's non-current assets (exclude financial instruments, deferred tax assets and post-employment benefit assets) and revenue from single geographical location are detailed below.

	Revenue from External Customers (Note)		Non-current Assets December 31	
	2025	**2024**	**2025**	**2024**
Asia	$ 133,671,136	$ 138,824,658	$ 104,052,748	$ 100,450,522
United States of America	5,598,142	5,648,470	27,639	44,056
Europe	31,871,218	28,245,758	23,976,951	23,346,084
Others	3,102,399	6,599,454	-	-
	$ 174,242,895	$ 179,318,340	$ 128,057,338	$ 123,840,662

Note: Revenue from external customers is classified by geographical location.

4) Information about major customers

No single customer contributed 10% or more to the Group's revenue for both 2025 and 2024.

WALSIN LIHWA HOLDINGS LIMITED AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
1	Walsin (China) Investment Co., Ltd.	Walsin (Nanjing) Development Co., Ltd.	Other receivables	Yes	$ 9,572,325 (RMB 2,100,000)	$ 2,906,508 (RMB 650,000)	$ 640,818 (RMB 143,310)	2.85	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 66,341,294	$ 66,341,294
		Yantai Walsin Stainless Steel Co., Ltd.	Other receivables	Yes	17,115,423 (RMB 3,700,000)	16,544,735 (RMB 3,700,000)	13,724,680 (RMB 3,069,334)	2.45	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Other receivables	Yes	2,382,475 (US$ 45,000) (RMB 200,000)	2,213,417 (US$ -) (RMB 495,000)	856,203 (US$ -) (RMB 191,478)	2.45	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Changshu Walsin Specialty Steel Co., Ltd.	Other receivables	Yes	1,619,027 (RMB 350,000)	1,565,043 (RMB 350,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Dongguan Walsin Wire & Cable Co., Ltd.	Other receivables	Yes	1,045,038 (US$ 25,000) (RMB 50,000)	134,147 (US$ -) (RMB 30,000)	106,003 (US$ -) (RMB 23,706)	2.45	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Jiangyin Walsin Steel Cable Co., Ltd.	Other receivables	Yes	683,738 (RMB 150,000)	536,586 (RMB 120,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Hangzhou Walsin Power Cable & Wire Co., Ltd.	Other receivables	Yes	693,869 (RMB 150,000)	670,733 (RMB 150,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Other receivables	Yes	370,063 (RMB 80,000)	357,724 (RMB 80,000)	119,614 (RMB 26,750)	2.45	Operating capital	-	Operating capital	-	-	-	406,406 (RMB 90,887)	1,625,623 (RMB 363,548)
		Nanjing Taiwan Trade Mart Management Co., Ltd.	Other receivables	Yes	601,353 (RMB 130,000)	581,302 (RMB 130,000)	567,565 (RMB 126,928)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		XiAn Walsin Metal Product Co., Ltd.	Other receivables	Yes	925,158 (RMB 200,000)	894,310 (RMB 200,000)	839,806 (RMB 187,811)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Yantai Huaxin Renewable Resources Co., Ltd.	Other receivables	Yes	92,516 (RMB 20,000)	89,431 (RMB 20,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Hangzhou Futong Electric Industries Co., Ltd.	Other receivables	Yes	46,258 (RMB 10,000)	44,716 (RMB 10,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	1,625,623 (RMB 363,548)	1,625,623 (RMB 363,548)
		Nanjing Walsin Property Management Co., Ltd.	Other receivables	Yes	46,258 (RMB 10,000)	44,716 (RMB 10,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
2	Walsin International Investments Limited	Walsin Lihwa Corporation	Other receivables	Yes	9,961,500 (US$ 300,000)	9,429,000 (US$ 300,000)	- (US$ -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Walsin (China) Investment Co., Ltd.	Other receivables	Yes	18,572,885 (US$ 320,000) (RMB 1,780,000)	16,544,735 (US$ -) (RMB 3,700,000)	14,519,123 (US$ -) (RMB 3,247,000)	1.95	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
		Borrego Energy Holdings, LLC & Borrego Energy, LLC	Other receivables	Yes	1,660,250 (US$ 50,000)	1,571,500 (US$ 50,000)	912,772 (US$ 29,041)	4.70	Operating capital	-	Operating capital	-	Promissory note and borrower’s assets	1,370,904	7,170,721 (US$ 228,152)	7,170,721 (US$ 228,152)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
		Com. Steel Inox S.p.A.	Other receivables	Yes	$ 738,000 (EUR 20,000)	$ 738,000 (EUR 20,000)	$ - (EUR -)	-	Operating capital	$ -	Repayment of shareholder loans	$ -	-	$ -	$ 7,170,721 (EUR 194,328)	$ 7,170,721 (EUR 194,328)
		DMV GmbH	Other receivables	Yes	1,476,000 (EUR 40,000)	1,476,000 (EUR 40,000)	502,969 (EUR 13,631)	3.27	Operating capital	-	Repayment of shareholder loans	-	-	-	66,341,294 (EUR 1,797,867)	66,341,294 (EUR 1,797,867)
3	Dongguan Walsin Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	1,367,475 (RMB 300,000)	134,147 (RMB 30,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
4	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	$ 46,258 (RMB 10,000)	$ 44,716 (RMB 10,000)	$ - (RMB -)	-	Operating capital	-	Operating capital	-	-	-	$ 68,339 (RMB 15,283)	$ 273,355 (RMB 61,132)
5	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	693,869 (RMB 150,000)	670,733 (RMB 150,000)	89,310 (RMB 19,973)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
6	Hangzhou Futong Electric Industries Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	46,258 (RMB 10,000)	44,716 (RMB 10,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	109,772 (RMB 24,549)	109,772 (RMB 24,549)
7	Jiangyin Walsin Steel Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	555,095 (RMB 120,000)	536,586 (RMB 120,000)	335,670 (RMB 75,068)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294

Notes:

1. According to the financing regulations provided by Walsin (China) Investment Co., Ltd., Walsin International Investments Limited, Yantai Huaxin Renewable Resources Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. and Hangzhou Futong Electric Industries Co., Ltd., the total limit on the amount of the financing provided to WLC or a overseas subsidiary whose equity is 100%-owned, directly or indirectly by WLC cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the parent company's equity as presented in its the consolidated financial statements of a subsidiary. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the financing company's equity as stated in the financing company's latest consolidated financial statements. If it is a revolving funding, the amount for an individual loan shall not exceed 10% of the financing company's equity in the financing company's latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

    Walsin (Nanjing) Development Co., Ltd., Yantai Walsin Stainless Steel Co., Ltd., Jiangyin Walsin Specialty Alloy Materials Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd., Dongguan Walsin Wire & Cable Co., Ltd., Jiangyin Walsin Steel Cable Co., Ltd., Hangzhou Walsin Power Cable & Wire Co., Ltd., Nanjing Taiwan Trade Mart Management Co., Ltd., XiAn Walsin Metal Product Co., Ltd., Yantai Huaxin Renewable Resources Co., Ltd., Nanjing Walsin Property Management Co., Ltd., Walsin Lihwa Corporation and Walsin (China) Investment Co., Ltd. = $165,852,234 × 40% = $66,341,294.

    Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. = RMB908,869 × 10% = RMB90,887 ($406,406).
    Hangzhou Futong Electric Industries Co., Ltd. = RMB908,869 × 40% = RMB363,548 ($1,625,623).
    Borrego Energy Holdings, LLC & Borrego Energy, LLC = US$570,379 × 40% = US$228,152 ($7,170,721).
    Com. Steel Inox S.p.A.=EUR485,821 × 40% = EUR194,328 ($7,170,721).
    DMV GmbH = EUR4,494,668 × 40% = EUR1,797,867 ($66,341,294).
    Walsin (China) Investment Co., Ltd = RMB152,830 × 10% = RMB15,283 ($68,339).
    Walsin (China) Investment Co., Ltd = RMB61,373 × 40% = RMB24,549 ($109,772).

    b. The limit on the amount of financing provided was as follows:

    Walsin (China) Investment Co., Ltd., Walsin International Investments Limited, Dongguan Walsin Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd. = $165,853,234 × 40% = $66,341,294.
    Walsin (China) Investment Co., Ltd. = RMB908,869 × 40% = RMB363,548 ($1,625,623).
    Walsin International Investments Limited = US$570,379 × 40% = US$228,152 ($7,170,721).
    Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. = RMB152,830 × 40% = RMB61,132 ($273,355).
    Hangzhou Futong Electric Industries Co., Ltd. = RMB61,373 × 40% = RMB24,549 ($109,772).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars, EUR and Renminbi.

3. The currency exchange rates as of December 31, 2025 were as follows: US$ to NT$ = 1:31.43; RMB to NT$ = 1:4.47155; EUR to NTD = 1:36.9;US to RMB = 1:7.0288.

(Concluded)

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
8	Yantai Walsin Stainless Steel Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	$ 2,081,606 (RMB 450,000)	$ 2,012,198 (RMB 450,000)	$ - (RMB -)	-	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 66,341,294	$ 66,341,294
9	Yantai Huaxin Renewable Resources Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	92,516 (RMB 20,000)	89,431 (RMB 20,000)	43,007 (RMB 9,618)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
10	Changshu Walsin Specialty Steel Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	3,238,053 (RMB 700,000)	3,130,085 (RMB 700,000)	70,642 (RMB 15,798)	1.35	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294
11	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	1,665,284 (RMB 360,000)	1,609,758 (RMB 360,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	66,341,294	66,341,294

Notes:

1. According to the financing regulations of Yantai Walsin Stainless Steel Co., Ltd., Yantai Huaxin Renewable Resources Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd. and Jiangyin Walsin Specialty Alloy Materials Co., Ltd., the limit on the amount of financing provided to WLC or an overseas subsidiary whose equity is 100% owned directly or indirectly by WLC cannot exceed 40% of the parent company's equity presented in the consolidated financial statements of Walsin Lihwa Corporation.

   a. The limit on the amount of financing provided to a single enterprise was as follows:

      Walsin (China) Investment Co., Ltd. = $165,853,234 × 40% = $66,341,294.

   b. The limit on the amount of financing provided was as follows:

      Yantai Walsin Stainless Steel Co., Ltd., Yantai Huaxin Renewable Resources Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd. and Jiangyin Walsin Specialty Alloy Materials Co., Ltd. = $165,853,234 × 40% = $66,341,294.

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of Renminbi.

3. The currency exchange rates as of December 31, 2025 was as follows: RMB to NT$ = 1:4.47155.

CHIN-CHERNG CONSTRUCTION CO. AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
12	Nanjing Walsin Property Management Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	$ 46,258 (US$ 10,000)	$ 44,716 (US$ 10,000)	$ 38,500 (US$ 8,610)	1.35	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 66,341,294	$ 66,341,294

Notes:

1. According to the financing regulations provided by Nanjing Walsin Property Management Co., Ltd., the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the parent company's equity as presented in the parent company's latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company's equity in the parent company's latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company's equity in the parent company's latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

       Walsin (China) Investment Co., Ltd. = $165,853,234 × 40% = $66,341,294.

    b. The limit on the amount of financing provided was as follows:

       Nanjing Walsin Property Management Co., Ltd. = $165,853,234 × 40% = $66,341,294.

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of Renminbi.

3. The currency exchange rates as of December 31, 2025 were as follows: RMB to NT$= 1:4.47155.

WALSIN INFO-ELECTRIC CORP.

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
13	Walsin Info-Electric Corporation	Walsin Lihwa Corporation	Other receivables	Yes	$ 100,000	$ 100,000	$ 100,000	1.75	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 141,368	$ 141,368

Notes:

1. According to the financing regulations provided by Walsin Info-Electric Corporation, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company’s equity in the parent company’s latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company’s equity in the parent company’s latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

       Walsin Lihwa Corporation = $353,420 × 40% = $141,368.

    b. The limit on the amount of financing provided was as follows:

       Walsin Info-Electric Corp. = $353,420 × 40% = $141,368.

WALSIN SINGAPORE PTE. LTD.

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars and Euro)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
14	Walsin Singapore Pte. Ltd.	PT. Sunny Metal Industry	Other receivables	Yes	$ 10,081,173 (US$ 320,750)	$ 10,081,173 (US$ 320,750)	$ 9,962,252 (US$ 316,966)	5.90-6.08	Operating capital	$ -	Equipment purchase and operating capital	$ -	-	$ -	$ 13,549,976 (US$ 431,116)	$ 13,549,976 (US$ 431,116)
		Innovation West Mantewe Pte. Ltd.	Other receivables	Yes	597,170 (US$ 19,000)	597,170 (US$ 19,000)	597,170 (US$ 19,000)	3.87	Operating capital	-	Construction of new plants and equipment purchase	-	-	-	13,549,976 (US$ 431,116)	13,549,976 (US$ 431,116)
		Walsin Lihwa Europe S.à r.l.	Other receivables	Yes	4,404,600 (US$ 140,140)	4,404,600 (US$ 140,140)	4,404,600 (US$ 140,140)	4.51	Operating capital	-	Acquisition of equity	-	-	-	66,341,294	66,341,249
		PT. Walsin Everising Specialty Steel Indonesia	Other receivables	Yes	849,553 (US$ 27,030)	849,553 (US$ 27,030)	368,988 (US$ 11,740)	4.70	Operating capital	-	Construction of new plants and equipment purchase	-	-	-	13,549,976 (US$ 431,116)	13,549,976 (US$ 431,116)

Notes:

1. According to the financing regulations provided by Walsin Singapore Pte. Ltd., the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company’s equity in the parent company’s latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company’s equity in the parent company’s latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

       PT. Sunny Metal Industry, Innovation West Mantewe Pte. Ltd. and PT. Walsin Everising Specialty Steel Indonesia = US$1,077,790 × 40% = US$431,116 ($13,549,976).
       Walsin Lihwa Europe S.àr.l. = US$5,276,908 × 40% = US$2,110,763 ($66,341,294).

    b. The limit on the amount of financing provided was as follows:

       Walsin Singapore Pte. Ltd. = US$1,077,790 × 40% = US$431,116 ($13,549,976).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.

3. The currency exchange rates as of December 31, 2025 was as follows: US$ to NT$ = 1:31.43.

PT. WALSIN NICKEL INDUSTRIAL INDONESIA

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollar and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
15	PT. Walsin Nickel Industrial Indonesia	PT. Walhsu Metal Industry	Other receivables	Yes	$ 996,150 (US$ 30,000)	$ - (US$ -)	$ - (US$ -)	-	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 1,104,765 (US$ 35,150)	$ 4,419,089 (US$ 140,601)
		PT. Sunny Metal Industry (Note 4)	Other receivables	Yes	3,652,550 (US$ 110,000)	3,457,300 (US$ 110,000)	1,414,350 (US$ 45,000)	4.50	Operating capital	-	Operating capital	-	-	-	4,419,089 (US$ 140,601)	4,419,089 (US$ 140,601)

Notes:

1. According to the financing regulations provided by PT. Walsin Nickel Industrial Indonesia, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company's equity as presented in the parent company's latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company's equity in the parent company's latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company's equity in the parent company's latest consolidated financial statements.

   a. The limit on the amount of financing provided to a single enterprise was as follows:

      PT. Walhsu Metal Industry = US$351,503 × 10% = US$35,150 ($1,104,765).
      PT. Sunny Metal Industry = US$351,503 × 40% = US$140,601 ($4,419,089).

   b. The limit on the amount of financing provided was as follows:

      PT. Walsin Nickel Industrial Indonesia = US$351,503 × 40% = US$140,601 ($4,419,089).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.

3. The currency exchange rates as of December 31, 2025 was as follows: US$ to NT$ = 1:31.43.

4. Of this amount, US$30,000 pertains to a shared limit with PT. Walhsu Metal Industry.

COGNE ACCIAI SPECIALI S.P.A.

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollar, Pound and Euro)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
16	Cogne Acciai Speciali S.p.A.	DMV GmbH	Other receivables	Yes	$ 5,505 (EUR 161)	$ - (EUR -)	$ - (EUR -)	-	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 4,262,024 (EUR 115,502)	$ 4,262,024 (EUR 115,502)
		DMV Deutschland GmbH	Other receivables	Yes	16,651 (EUR 487)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	4,262,024 (EUR 115,502)	4,262,024 (EUR 115,502)
		DMV Italia S.r.l.	Other receivables	Yes	384,085 (EUR 8,309)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	4,262,024 (EUR 115,502)	4,262,024 (EUR 115,502)
		DMV France S.A.S.	Other receivables	Yes	231,945 (EUR 6,784)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	4,262,024 (EUR 115,502)	4,262,024 (EUR 115,502)
		DMV SOTEP S.A.S.	Other receivables	Yes	68 (EUR 2)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	4,262,024 (EUR 115,502)	4,262,024 (EUR 115,502)
		DMV USA, Inc.	Other receivables	Yes	465,463 (EUR 13,614)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	4,262,024 (EUR 115,502)	4,262,024 (EUR 115,502)

Notes:

1. According to the financing regulations provided by Cogne Acciai Speciali S.p.A., the total limit on the amount of the financing provided to subsidiary whose equity is 50% owned, directly or indirectly by its parent company, cannot exceed 20% of the parent company's equity as presented in the latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 5% of the parent company's equity as presented in the latest consolidated financial statements. The total limit on the amount of the financing provided to a oversea subsidiary whose equity is 100%-owned, directly or indirectly by its parent company, cannot exceed 20% of the parent company's equity as presented in the latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

    DMV GmbH, DMV Deutschland GmbH, DMV Italia S.r.l., DMV France S.A.S., DMV SOTEP S.A.S. and DMV USA, Inc. = EUR577,512 × 20% = EUR115,502 ($4,262,024).

    b. The limit on the amount of financing provided was as follows:

    Cogne Acciai Speciali S.p.A. = EUR577,512 × 20% = EUR115,502 ($4,262,024).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of EUR.

3. The currency exchange rates as of December 31, 2025 was as follows: EUR to NT$= 1:36.9.

DMV GMBH AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollar and Euro)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral Item	Collateral Value	Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
17	DMV GmbH.	Cogne Acciai Speciali S.p.A.	Other receivables	Yes	$ 277,205 (EUR 8,070)	$ - (EUR -)	$ - (EUR -)	-	Operating capital	$ -	Operating capital	$ -	-	$ -	$ 1,928,874 (EUR 52,273)	$ 1,928,874 (EUR 52,273)
		DMV Deutschland GmbH (Note 4)	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,000 (EUR 50,000)	264,684 (EUR 7,173)	3.23	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV Italia S.r.l. (Note 4)	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	617,005 (EUR 16,721)	3.23	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV France S.A.S. (Note 4)	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	281,695 (EUR 7,634)	3.23	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV SOTEP S.A.S. (Note 4)	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV USA, Inc. (Note 4)	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	314,019 (EUR 8,510)	3.35	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
18	DMV Deutschland GmbH	Cogne Acciai Speciali S.p.A.	Other receivables	Yes	177,685 (EUR 5,197)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV GmbH	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
19	DMV Italia S.r.l.	DMV GmbH	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
20	DMV France S.A.S.	DMV GmbH	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
21	DMV SOTEP S.A.S.	Cogne Acciai Speciali S.p.A.	Other receivables	Yes	25,643 (EUR 750)	- (EUR -)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
		DMV GmbH	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	49,667 (EUR 1,346)	0.25	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)
22	DMV USA, Inc.	DMV GmbH	Other receivables	Yes	1,845,000 (EUR 50,000)	1,845,500 (EUR 50,000)	- (EUR -)	-	Operating capital	-	Operating capital	-	-	-	1,928,874 (EUR 52,273)	1,928,874 (EUR 52,273)

Notes:

1. According to the financing regulations provided by DMV GmbH, directly or indirectly by its parent company, cannot exceed 40% of DMV’s net value for consolidated financial statements. If it is a revolving fund, cannot exceed 10% of DMV’s net value for consolidated financial statements. The total limit on the amount of the financing provided to company is 100%-owned, directly or indirectly by its parent company, cannot exceed 40% of DMV’s net value for consolidated financial statements.

   a. The limit on the amount of financing provided to a single enterprise was as follows:

      DMV GmbH, DMV Deutschland GmbH, DMV Italia S.r.l., DMV France S.A.S., Cogne Acciai Speciali S.p.A., DMV SOTEP S.A.S. and DMV USA, Inc. = EUR130,683 × 40% = EUR52,273 ($1,928,874).

   b. The limit on the amount of financing provided was as follows:

      DMV GmbH = EUR130,683 × 40% = EUR52,273 ($1,928,874).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of EUR.

3. The currency exchange rates as of December 31, 2025 was as follows: EUR to NT$ = 1:36.9.

4. The borrowers of the shared credit line include DMV Deutschland GmbH, DMV Italia S.r.l., DMV France S.A.S., DMV SOTEP S.A.S., DMV USA, In.

TABLE 1-8

PT. SUNNY METAL INDUSTRY

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollar and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
23	PT. Sunny Metal Industry	PT Walhsu Metal Industry	Other receivables	Yes	$ 232,435 (US$ 7,000)	$ - (US$ -)	$ - (US$ -)	-	Operating capital	$ -	Equipment purchase and operating capital	$ -	-	$ -	$ 1,691,217 (US$ 53,809)	$ 1,691,217 (US$ 53,809)

Notes:

1. According to the financing regulations provided by PT. Sunny Metal Industry, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company's equity as presented in the parent company's latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company's equity in the parent company's latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company's equity in the parent company's latest consolidated financial statements.

    a. The limit on the amount of financing provided to a single enterprise was as follows:

       PT. Walhsu Metal Industry = US$134,522 × 40% = US$53,809 ($1,691,217).

    b. The limit on the amount of financing provided was as follows:

       PT. Sunny Metal Industry = US$134,522 × 40% = US$53,809 ($1,691,217).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.

3. The currency exchange rates as of December 31, 2025 was as follows: US$ to NT$ = 1:31.43.

TABLE 2

WALSIN LIHWA CORPORATION

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

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Each Guaranteed Party's Endorsement/ Guarantee Amounts (Note 3)	Highest Balance for the Period	Ending Balance (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statement (%)	Maximum Collateral/ Guarantee Amounts Allowable (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 2)										
0	Walsin Lihwa Corporation	Yantai Walsin Stainless Steel Co., Ltd.	b	$ 107,804,602	$ 4,163,211 (RMB 900,000)	$ 4,024,395 (RMB 900,000)	$ 2,695,954 (RMB 602,913)	$ -	2.43	$ 215,609,204	Yes	No	Yes
		Walsin Energy Cable System Co., Ltd.	b	107,804,602	5,900,000	5,900,000	5,304,840	-	3.56	215,609,204	Yes	No	No

Notes:

1. The information on Walsin Lihwa Corporation and its subsidiaries is listed and labeled on the entitled "No." column.

   a. "0" represents Walsin Lihwa Corporation.
   b. Subsidiaries are numbered consecutively starting from 1.

2. The relationship between Walsin Lihwa Corporation and the endorsed/guaranteed entities can be classified into the following categories.

   a. A company with which Walsin Lihwa Corporation does business.
   b. A company in which Walsin Lihwa Corporation directly and indirectly holds more than 50% of the voting shares.
   c. A company that directly and indirectly holds more than 50% of the voting shares in Walsin Lihwa Corporation.
   d. A company in which Walsin Lihwa Corporation directly or indirectly holds 90% or more of the voting shares.
   e. A company that fulfills Walsin Lihwa Corporation's contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
   f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Walsin Lihwa Corporation's joint-investment company in proportion to their shareholding percentages.
   g. A company in the same industry as Walsin Lihwa Corporation whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

3. According to the endorsements/guarantees provided and financing regulations provided by Walsin Lihwa Corporation, the total limit on the amount of endorsements/guarantees cannot exceed 130% of the equity of Walsin Lihwa Corporation's current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The amount which is 130% of the net value multiplied by the equity percentage of the guarantee provider.

   a. The limit on the amount of endorsements/guarantees provided was as follows:

      NT$165,853,234 × 130% = NT$215,609,204.

   b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

      Yantai Walsin Stainless Steel Co., Ltd.: 215,609,204 × 50% = 107,804,602.
      Walsin Energy Cable System Co., Ltd.: 215,609,204 × 50% = 107,804,602.

4. The currency exchange rates as of December 31, 2025 was as follows: RMB to NT$ = 1:4.47155.

TABLE 2-1

COGNE ACCIAI SPECIALI S.P.A.

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Euro and SEK)

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Each Guaranteed Party's Endorsement/ Guarantee Amounts (Note 3)	Highest Balance for the Period	Ending Balance (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statement (%)	Maximum Collateral/ Guarantee Amounts Allowable (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 2)										
1	Cogne Acciai Speciali S.p.A.	Degerfors Long Products AB	b	$ 1,352,016 (EUR 36,640)	$ 684,000 (SEK 200,000)	$ 684,000 (SEK 200,000)	$ 176,510 (SEK 51,611)	$ -	0.41	$ 4,262,024 (EUR 115,502)	Yes	No	No

Notes:

1. The information on Cogne Acciai Speciali S.p.A. and its subsidiaries is listed and labeled on the entitled “No.” column.

    a. “0” represents Cogne Acciai Speciali S.p.A.
    b. Subsidiaries are numbered consecutively starting at 1.

2. The relationship between Cogne Acciai Speciali S.p.A. and the endorsed/guaranteed entities can be classified into six categories.

    a. A company with which Cogne Acciai Speciali S.p.A. does business.
    b. A company in which Cogne Acciai Speciali S.p.A. directly and indirectly holds more than 50% of the voting shares.
    c. A company that directly and indirectly holds more than 50% of the voting shares in Cogne Acciai Speciali S.p.A.
    d. A company in which Cogne Acciai Speciali S.p.A. directly or indirectly holds 90% or more of the voting shares.
    e. A company that fulfills Cogne Acciai Speciali S.p.A.’s contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
    f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Cogne Acciai Speciali S.p.A.’s joint-investment company in proportion to their shareholding percentages.
    g. A company in the same industry as Cogne Acciai Speciali S.p.A. whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

3. According to the endorsements/guarantees provided and financing regulations provided by Cogne Acciai Speciali S.p.A., the total limit on the amount of endorsements/guarantees cannot exceed 20% of the equity of Cogne Acciai Speciali S.p.A.’s current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The amount which is 125% of the net value multiplied by the equity percentage of the guarantee provider.

    a. The limit on the amount of endorsements/guarantees provided was as follows:

        EUR577,512 × 20% = EUR115,502 ($4,262,024).

    b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

        Degerfors Long Products AB: EUR29,312 × 125% × 100% = EUR36,640 ($1,352,016).

4. The currency exchange rates as of December 31, 2025 was as follows: EUR to NT$ = 1:36.9; SEK to NT$ = 1:3.42.

WALSIN LIHWA EUROPE S.À R.L.

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

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Each Guaranteed Party's Endorsement/ Guarantee Amounts (Note 3)	Highest Balance for the Period	Ending Balance (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statement (%)	Maximum Collateral/ Guarantee Amounts Allowable (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 2)										
2	Walsin Lihwa Europe S.à r.l.	Cogne Acciai Speciali S.p.A.	b	$ 37,292,874 (EUR 1,010,647)	$ 4,797,000 (EUR 130,000)	$ 4,797,000 (EUR 130,000)	$ 4,797,000 (EUR 130,000)	$ 4,404,600	2.89	$ 12,182,277 (EUR 330,143)	Yes	No	No

Notes:

1. The information on Walsin Lihwa Europe S.à r.l. and its subsidiaries is listed and labeled on the entitled "No." column.

   a. "0" represents Walsin Lihwa Europe S.à r.l.
   b. Subsidiaries are numbered consecutively starting at 1.

2. The relationship between Walsin Lihwa Europe S.à r.l. and the endorsed/guaranteed entities can be classified into the following categories.

   a. A company with which Walsin Lihwa Europe S.à r.l. does business.
   b. A company in which Walsin Lihwa Europe S.à r.l. directly and indirectly holds more than 50% of the voting shares.
   c. A company that directly and indirectly holds more than 50% of the voting shares in Walsin Lihwa Europe S.à r.l.
   d. A company in which Walsin Lihwa Europe S.à r.l. directly or indirectly holds 90% or more of the voting shares.
   e. A company that fulfills Walsin Lihwa Europe S.à r.l.'s contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
   f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Walsin Lihwa Europe S.à r.l.'s joint-investment company in proportion to their shareholding percentages.
   g. A company in the same industry as Walsin Lihwa Europe S.à r.l. whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

3. According to the endorsements/guarantees provided and financing regulations provided by Walsin Lihwa Europe S.à r.l., the total limit on the amount of endorsements/guarantees cannot exceed 100% of the equity of Walsin Lihwa Europe S.à r.l.'s current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The amount which is 250% of the net value multiplied by the equity percentage of the guarantee provider.

   a. The limit on the amount of endorsements/guarantees provided was as follows:

      EUR330,143 × 100% = EUR330,143 ($12,182,277).

   b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

      Cogne Acciai Speciali S.p.A.: EUR577,512 × 250% × 70% = EUR1,010,647 ($37,292,874).

4. The currency exchange rates as of December 31, 2025 was as follows: EUR to NT$ = 1:36.9.

TABLE 3

WALSIN LIHWA CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Lihwa Corporation	Share							
	HannStar Display Corp.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	299,632,180	$ 2,337,131	10.19	$ 2,337,131	
	HannStar Board Corp.	The chairman of the holding company and the chairman of the company are second-class relatives	Financial assets at fair value through other comprehensive income - non-current	58,653,635	5,413,731	12.06	5,413,731	
	TECO Electric & Machinery Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	228,504,730	19,194,397	9.62	19,194,397	
	Kuang Tai Metal Industrial Co., Ltd.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	9,631,802	355,317	9.39	355,317	
	Hwa Bao Botanic Conservation Corp.	The holding company is a supervisor of the issuer company	Financial assets at fair value through other comprehensive income - non-current	27,000,000	410,410	15.00	410,410	

Note: This table presents the marketable securities that the Company has determined should be disclosed in accordance with the principle of materiality.

WALSIN LIHWA CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Lihwa Corporation	Kuang Tai Metal Industrial Co., Ltd.	Director of the related party	Sales	$ (1,361,961)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ 6,756	-	
	Walsin Singapore Pte. Ltd.	100% directly owned subsidiary	Purchase	15,247,538	22	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(90,830)	(3)	
	Novametal SA	Substantive related party	Sales	(127,977)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	15,082	1	
	Walsin Energy Cable System Co., Ltd.	90% directly owned subsidiary	Sales	(205,113)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	5	-	
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	100% indirectly owned subsidiary	Sales	(172,549)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	51,009	2	
	Metalinox Cogne Acos Inoxidaveis Especiais Ltda	70% indirectly owned subsidiary	Sales	(159,794)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	49,976	2	
	Cogne Korea	70% indirectly owned subsidiary	Sales	(180,742)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	61,455	2	
	Ferriere di Stabio SA	Substantive related party	Sales	(140,830)	-	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	-	-	

WALSIN LIHWA HOLDINGS LIMITED AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Hangzhou Futong Electric Industries Co., Ltd.	Both are subsidiaries of Holdings Industries Limited	Purchase	RMB 22,536	2	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (12,121)	(11)	
Hangzhou Futong Electric Industries Co., Ltd.	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Both are subsidiaries of Holdings Industries Limited	Sales	RMB (22,536)	(32)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (12,121)	-	

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Renminbi and Euro)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Sales	RMB (317,650)	(10)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 30,680	10	
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Sales	RMB (399,153)	(13)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 70,863	23	
	Changshu Walsin Specialty Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Purchase	RMB 36,939	1	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (4,351)	(2)	
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Purchase	RMB 63,984	2	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (15,674)	(8)	
	Walsin Singapore Pte. Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Purchase	US$ 14,954	11	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	-	-	
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Sales	RMB (63,984)	(11)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 15,674	11	
	Walsin Lihwa Corporation	Parent company	Purchase	NT$ 172,549	8	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	NT$ (51,009)	(13)	
	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Purchase	RMB 399,153	86	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (70,863)	(79)	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Changshu Walsin Specialty Steel Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Sales	RMB (36,939)	(5)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 4,351	7	
	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Purchase	RMB 317,650	72	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (30,680)	(46)	

(Concluded)

WALSIN SINGAPORE PTE. LTD.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED DECEMBER 31, 2025
(In Thousands of U.S. Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Singapore Pte. Ltd.	Walsin Lihwa Corporation	Parent company	Sales	US$ (489,032)	(51)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ 2,890	8	
	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Sales	US$ (14,954)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ -	-	
	PT. Sunny Metal Industry	Subsidiary	Purchases	US$ 393,818	4	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ (53,550)	(100)	
	PT.Walhsu Metal Industry	Subsidiary	Purchases	US$ 72,464	8	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ -	(-)	
PT. Sunny Metal Industry	Walsin Singapore Pte. Ltd.	Parent company	Sales	US$ (393,818)	(68)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ 53,550	27	
	PT.Walhsu Metal Industry	Subsidiary	Sales	US$ (61,599)	(11)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ 131,036	67	
PT.Walhsu Metal Industry	Walsin Singapore Pte. Ltd.	Parent company	Sales	US$ (72,464)	(80)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ -	-	
	PT. Sunny Metal Industry	Parent company	Purchases	US$ 61,599	97	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US$ (131,036)	(100)	

WALSIN LIHWA EUROPE S.À R.L.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED DECEMBER 31, 2025
(In Thousands of Euro)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Aosta Servizi Generali S.r.l.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	$ (7,439)	(95)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ 2,675	97	
Cogne Acciai Speciali S.p.A.	Cogne Edelstahl Gmbh	Transactions between parent company and subsidiaries	Sales	(32,941)	(6)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	5,436	6	
	Cogne France Societe par Actions Simplifiee	Transactions between parent company and subsidiaries	Sales	(11,536)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	2,815	3	
	Cogne Mexico Sociedad Anonima de Capital Variable	Transactions between parent company and subsidiaries	Sales	(9,334)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	3,408	4	
	Cogne Speciality Steel USA, Inc.	Transactions between parent company and subsidiaries	Sales	(17,030)	(3)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	83	-	
	Cogne Stainless Bars SA	Transactions between parent company and subsidiaries	Sales	(18,853)	(3)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	1,145	1	
	Cogne U.K. Limited	Transactions between parent company and subsidiaries	Sales	(12,645)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	2,219	2	
	Dong Guan Cogne Steel Products Co., Ltd.	Transactions between parent company and subsidiaries	Sales	(17,433)	(3)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	2,943	3	
	Metalinox Cogne Acos Inoxidaveis Especiais Ltda	Transactions between parent company and subsidiaries	Sales	(5,985)	(1)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	2,024	2	

(Continued)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Cogne Acciai Speciali S.p.A.	Degerfors Long Products AB	Transactions between parent company and subsidiaries	Sales	$ (29,402)	(5)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ 9,080	10	
	DMV France S.A.S.	Transactions between parent company and subsidiaries	Sales	(28,519)	(5)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	3,075	3	
	DMV Deutschland GmbH	Transactions between parent company and subsidiaries	Sales	(8,766)	(1)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	49	-	
	Ferriere di Stabio SA	Substantive related party	Sales	(19,375)	(3)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	803	1	
	Novametal SA	Substantive related party	Sales	(41,723)	(7)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	4,134	4	
	T.D.V. Trefileries des Vosges SA	Substantive related party	Sales	(4,129)	(1)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	303	-	
Cogne Mexico Sociedad Anonima de Capital Variable	Cogne Speciality Steel USA, Inc.	Both are subsidiaries of Walsin Lihwa Europe S.a r.1.	Sales	(3,069)	(27)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	80	3	
Cogne Stainless Bars SA	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	(9,716)	(37)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	944	24	
	Cogne Edelstahl Gmbh	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Sales	(11,135)	(42)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	2,012	51	
Com.Steel Inox S.p.A.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	(102,681)	(84)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	-	-	
Degerfors long products	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	(11,607)	(17)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	4,120	39	

(Continued)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Degerfors long products	Com.Steel Inox S.p.A.	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Sales	$ (5,768)	(8)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ 839	8	
Special Melted Products Limited	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	(17,145)	(19)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	52	-	
Cogne Acciai Speciali S.p.A.	Aosta Servizi Generali S.r.l.	Transactions between parent company and subsidiaries	Purchases	7,439	1	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(2,675)	(2)	
Cogne Edelstahl Gmbh	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	32,941	57	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(5,436)	(65)	
Cogne France Societe par Actions Simplifiee	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	11,536	78	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(2,815)	(81)	
Cogne Mexico Sociedad Anonima de Capital Variable	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	9,334	85	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(3,408)	(96)	
Cogne Speciality Steel USA, Inc.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	17,030	82	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(83)	(12)	
Cogne Stainless Bars SA	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	18,853	86	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(1,145)	(67)	
Cogne U.K. Limited	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	12,645	78	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(2,219)	(68)	

(Continued)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Dong Guan Cogne Steel Products Co., Ltd.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	$ 17,433	81	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ (2,943)	(84)	
Metalinox Cogne Acos Inoxidaveis Especiais Ltda	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	5,985	29	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(2,024)	(56)	
Degerfors Long Products AB	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	29,402	41	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(9,080)	(71)	
DMV France S.A.S.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	28,519	12	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(3,075)	(9)	
DMV Deutschland GmbH	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Purchases	8,766	4	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(49)	(-)	
Cogne Speciality Steel USA, Inc.	Cogne Mexico Sociedad Anonima de Capital Variable	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Purchases	3,069	15	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(80)	(11)	
Cogne Acciai Speciali S.p.A.	Cogne Stainless Bars SA	Transactions between parent company and subsidiaries	Purchases	9,716	2	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(944)	(1)	
Cogne Edelstahl Gmbh	Cogne Stainless Bars SA	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Purchases	11,135	19	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(2,012)	(24)	
Cogne Acciai Speciali S.p.A.	Com.Steel Inox S.p.A.	Transactions between parent company and subsidiaries	Purchases	102,681	18	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	-	-	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Cogne Acciai Speciali S.p.A.	Degerfors long products	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Purchases	$ 11,607	2	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	$ (4,120)	(3)	
Com.Steel Inox S.p.A.	Degerfors long products	Both are subsidiaries of Walsin Lihwa Europe S.ar.1.	Purchases	5,768	5	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(839)	(11)	
Cogne Acciai Speciali S.p.A.	Special Melted Products Limited	Transactions between parent company and subsidiaries	Purchases	17,145	3	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(52)	-	
Metalinox Cogne Acos Inoxidaveis Especiais Ltda	Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Purchases	4,543	22	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(1,354)	(24)	
Cogne Korea	Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Purchases	5,138	1	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(1,665)	(1)	

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Walsin Lihwa Corporation	Walsin Singapore Pte. Ltd.	100% directly owned subsidiary	Other receivables	$ 214,808	-	$ -	-	$ 11,510	$ -
	PT. Walsin Nickel Industrial Indonesia	92% directly owned subsidiary	Other receivables	707,175	-	-	-	-	-

TABLE 5-1

WALSIN LIHWA HOLDINGS LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of Renminbi and U.S. Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Walsin Lihwa Holdings Limited	Walsin (China) Investment Co., Ltd.	100% owned subsidiary	Other receivables $ 230,692	-	$ -	-	$ -	$ -
Walsin (China) Investment Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 3,075,937	-	-	-	-	-
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 191,822	-	-	-	-	-
	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	95.71% owned subsidiary	Other receivables 26,752	-	-	-	-	-
	XiAn Walsin Metal Product Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 188,029	-	-	-	-	-
	Nanjing Taiwan Trade Mart Management Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 127,072	-	-	-	-	-
	Dongguan Walsin Wire & Cable Co., Ltd.	100% owned subsidiary	Other receivables 23,755	-	-	-	-	-
	Walsin (Nanjing) Development Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 143,662	-	-	-	-	-
Walsin International Investments Limited	Borrego Energy, LLC	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables US$ 18,932	-	-	-	-	-
	Borrego Energy Holdings, LLC	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables US$ 10,421	-	-	-	-	-
	Walsin (China) Investment Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 3,284,055	-	-	-	-	-
	DMV GmbH	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables EUR 13,681	-	-	-	-	-
Jiangyin Walsin Steel Cable Co., Ltd. (JHS)	Walsin (China) Investment Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 75,157	-	-	-	-	-

Note: Amounts are stated in thousands of Renminbi, except those stated in thousands of U.S. dollars and EUR dollars.

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of Renminbi)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Trade receivables	$ 30,680	8.79	$ -	-	$ -	$ -
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Trade receivables	70,863	6.13	-	-	-	-

WALSIN SINGAPORE PTE. LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of U.S. Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Walsin Singapore Pte. Ltd.	PT. Sunny Metal Industry	Subsidiary	Other receivables	$ 329,449	-	$ -	-	$ -	$ -
	Walsin Lihwa Europe S.a r.l.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables	143,918	-	-	-	-	-
PT. Sunny Metal Industry	Walsin Singapore Pte. Ltd.	Subsidiary	Trade receivables	53,550	11.97	-	-	-	-
	PT. Walhsu Metal Industry	Subsidiary	Trade receivables	131,036	0.40	-	-	-	-
Walsin Singapore Pte. Ltd.	Innovation West Mantewe Pte. Ltd	Associate of the parent company	Other receivables	19,317	-	-	-	-	-
	Walsin Everising Specialty Steel Indonesia	Associate of the parent company	Other receivables	12,119	-	-	-	-	-
	PT. Walsin Nickel Industrial Indonesia	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables	18,900	-	-	-	-	-

PT. WALSIN NICKEL INDUSTRIAL INDONESIA

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of U.S. Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
PT Walsin Nickel Industrial Indonesia	PT. Sunny Metal Industry	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables	$ 45,761	-	$ -	-	$ -	$ -

TABLE 5-5

WALSIN INFO-ELECTRIC CORP.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Walsin Info-Electric Corp.	Walsin Lihwa Corporation	Parent company	Other receivables	$ 100,043	-	$ -	-	$ -	$ -

TABLE 5-6

WALSIN LIHWA EUROPE S.A R.L. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of Euro)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance		Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
						Amount	Action Taken		
Cogne Acciai Speciali S.p.A.	Cogne Edelstahl Gmbh	Transactions between parent company and subsidiaries	Trade receivables	$ 5,436	8.28	$ -	-	$ 3,521	$ -
	Cogne Mexico Sociedad Anonima de Capital Variable	Transactions between parent company and subsidiaries	Trade receivables	3,408	2.83	-	-	408	-
	Dong Guan Cogne Steel Products Co., Ltd.	Transactions between parent company and subsidiaries	Trade receivables	2,943	3.96	-	-	2,329	-
	Degerfors Long Products AB	Transactions between parent company and subsidiaries	Trade receivables	9,080	2.88	-	-	2,680	-
	DMV France S.A.S.	Transactions between parent company and subsidiaries	Trade receivables	3,075	9.33	-	-	-	-
	Novametal SA	Substantive related party	Trade receivables	4,134	7.53	-	-	-	-
Degerfors long products	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Trade receivables	4,120	2.91	-	-	4,120	-
DMV GmbH	DMV Deutschland GmbH	Transactions between parent company and subsidiaries	Other receivables	7,173	-	-	-	-	-
	DMV Italia S.r.l.	Transactions between parent company and subsidiaries	Other receivables	16,721	-	-	-	-	-
	DMV France S.A.S.	Transactions between parent company and subsidiaries	Other receivables	7,634	-	-	-	-	-
	DMV USA, Inc.	Transactions between parent company and subsidiaries	Other receivables	8,510	-	-	-	-	-

TABLE 6

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE GROUP EXERCISES SIGNIFICANT INFLUENCE
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars, Hong Kong Dollars and Euro)

Information of investees that Walsin Lihwa Corporation and its subsidiaries have controlling power or significant influence over was as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Walsin Lihwa Corporation	Walsin Lihwa Holdings Limited	British Virgin Islands	Investments holding	$ 103,022	$ 103,022	2,730,393	100.00	$ 22,196,279	$ 299,560	$ 299,317	
	Concord Industries Limited	British Virgin Islands	Investments holding	14,378,563	14,408,033	331,498,375	100.00	1,731,874	(1,279,528)	(1,279,528)	
	Ace Result Global Limited	British Virgin Islands	Investments holding	1,587,416	1,587,416	44,739,988	100.00	447,559	21,150	21,150	
	Min Maw Precision Industry Corp.	Taiwan	Solar power systems management, design and installation	180,368	180,368	38,945,788	100.00	448,126	14,038	14,038	
	Waltuo Green Resources Corporation	Taiwan	Waste disposal, resource recovery and cement products	10,000	10,000	1,828,287	100.00	(3,617)	363	363	
	Chin-Cherng Construction Co.	Taiwan	Investment in the construction of residential, sale of commercial buildings, rental design and interior decoration business	135,412	135,412	529,955,805	99.22	5,165,829	(237,132)	(234,976)	
	Walsin Info-Electric Corp.	Taiwan	Mechanical and electrical, communications and power systems	270,034	270,034	29,854,246	99.51	351,688	4,393	4,371	
	PT. Walsin Lippo Industries	Indonesia	Steel wires	481,663	481,663	10,500	70.00	1,054,632	71,498	50,048	
	PT. Walsin Lippo Kabel	Indonesia	Production and sale of cables and wires	12,004	12,004	2,999,500	70.00	9,491	(1,303)	(912)	
	Joint Success Enterprises Limited	British Virgin Islands	Investments holding	689,979	689,979	21,344,562	49.05	3,842,493	(486,909)	(238,829)	
	Chin-Xin Investment Co., Ltd.	Taiwan	Investments	2,237,969	2,237,969	179,468,270	37.00	13,404,709	182,206	67,416	
	Tsai Yi Corporation	Taiwan	Management and investments holding	457,610	457,610	49,831,505	33.97	1,147,578	121,345	41,221	
	Concord II Venture Capital Co., Ltd.	Taiwan	Venture capital and consulting affairs	257,860	257,860	26,670,699	26.67	189,580	87,961	24,950	
	Winbond Electronics Corp.	Taiwan	Research, development, production and sale of semiconductors and related components	9,799,646	9,799,646	995,000,540	22.11	23,904,146	3,177,448	875,982	
	Walton Advanced Engineering, Inc.	Taiwan	Production, sale and testing of semiconductors	1,153,362	1,185,854	106,628,376	20.59	2,544,023	1,134,850	264,479	
	Walsin Technology Corp.	Taiwan	Production and sale of ceramic capacitors	1,649,039	1,649,039	88,902,325	18.30	9,564,255	3,003,286	425,103	
	PT. Walsin Nickel Industrial Indonesia	Indonesia	Production and sale of nickel pig iron	1,509,171	1,509,171	500,000	50.00	5,373,608	722,736	387,550	
	Walsin Precision Technology Corp.	Malaysia	Production and sale of stainless steel plates	434,994	434,994	32,178,385	100.00	718,420	35,146	35,146	
	Walsin Singapore Pte. Ltd.	Singapore	Investments holding	31,555,131	30,911,410	893,000,000	100.00	36,019,792	48,424	(170,551)	
	Walsin Energy Cable System Co., Ltd.	Taiwan	Submarine communication cables	2,700,000	2,700,000	270,000,000	90.00	2,332,285	(217,898)	(197,342)	
	Walsin Lihwa Europe S.a r.l.	Luxembourg	Investments holding	15,017,777	12,848,247	12,000	100.00	12,175,847	(1,107,477)	(1,107,477)	
	PT. Walsin Research Innovation Indonesia	Indonesia	Consulting and management	65,909	65,909	20,930	99.67	43,313	(4,137)	(4,123)	
	Walsin America, LLC	USA	Investments	196,654	196,654	N/A	100.00	(718,351)	(134,375)	(134,375)	
	Innovation West Mantewe Pte. Ltd.	Singapore	Investments holding	1,346,834	1,310,393	3,780,020	20.00	1,322,601	(76,630)	(16,229)	
Walsin Lihwa Holding Limited	Walsin International Investments Limited	Hong Kong	Investments	HK$ 3,802,165	HK$ 3,802,165	3,802,164,702	100.00	17,926,806	338,476	338,476	
Walsin America, LLC	Borrego Energy Holdings, LLC	USA	Investments	US$ 38,147	US$ 38,147	N/A	72.55	(719,859)	(180,691)	(131,099)	
Borrego Energy Holdings, LLC	Borrego Energy, LLC	USA	Grid-connected solar electric systems	US$ 52,576	US$ 52,576	N/A	100.00	(1,003,700)	(122,653)	(122,653)	
	Cleanleaf Energy Holdings, Inc	USA	Investments	US$ 7,500	US$ 7,500	1,266,000	82.50	(46,377)	(75,173)	(58,039)	
Cleanleaf Energy Holdings, Inc.	Cleanleaf Energy, LLC.	USA	Operation and Maintenance of Solar Energy Systems	US$ 7,500	US$ 7,500	N/A	100.00	(56,212)	(75,173)	(75,173)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Concord Industries Limited	Walsin Specialty Steel Corp.	British Virgin Islands	Commerce and investments	US$ 82,893	US$ 82,893	82,893,195	100.00	$ 1,988,436	$ 219,370	$ 219,370	
Chin-Cherng Construction Co.	Joint Success Enterprises Limited	British Virgin Islands	Investments	725,493	725,493	22,175,438	50.95	3,929,504	(486,909)	(248,080)	
	Dinghsin Development Co., Ltd.	Taiwan	Investment of real estate and related business	8,540	8,540	2,119,200	35.32	35,394	2,560	586	
	Concord II Venture Capital Co., Ltd.	Taiwan	Venture capital and consulting affairs	1,603	1,603	172,342	0.17	1,225	87,691	161	
	Chin-Xin Investment Co., Ltd.	Taiwan	Investments	54,154	54,154	3,264,092	0.67	244,644	182,206	1,221	
Walsin Singapore Pte. Ltd.	PT. Walsin Nickel Industrial Indonesia	Indonesia	Production and sale of nickel pig iron	US$ 42,000	US$ 42,000	420,000	42.00	4,640,053	722,736	303,549	
	PT. Sunny Metal Industry	Indonesia	Manufacture and sale of nickel matte	US$ 200,000	US$ 200,000	50,100	50.10	5,273,599	(498,675)	(638,394)	
	Berg Holding Limited	Hong Kong	Investments holding	US$ 118,659	US$ 118,644	29,527,500	75.00	2,987,592	(194,465)	(406,460)	
	PT. Walsin Everising Specialty Steel Indonosia	Indonesia	Production and processing of special metal materials	US$ 15,300	US$ 6,151	15,300,000	51.00 (Note 2)	471,249	4,461	2,275	
Walsin Lihwa Europe S.a r.l.	MEG S.A.	Luxembourg	Investments holding	EUR 440,203	EUR 379,703	8,915	100.00	13,713,899	(1,557,373)	(1,557,373)	
	Walsin Lihwa Italy S.r.l.	Italy	Sale of stainless steel	EUR 310	EUR -	N/A	100.00	10,198	(1,183)	(1,183)	
	Advanced Manufacturing Holdings	United Kingdom	Enhancement of special metal materials	EUR 2,632	EUR -	29,351	16.51 (Note 1)	98,956	11,065	1,733	
MEG S.A.	Cogne Acciai Speciali S.p.A.	Italy	Production and sale of stainless steel	EUR 206,792	EUR 146,292	354,978,386	71.83	15,079,440	(2,206,884)	(1,580,942)	
PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Indonesia	Manufacture and sale of nickel matte	US$ 18,581	US$ 18,581	18,581,400	99.90	(429,853)	(266,284)	(263,125)	
PT. Walsin Nickel Industrial Indonesia	PT. Walhsu Metal Industry	Indonesia	Manufacture and sale of nickel matte	US$ 19	US$ 19	18,600	0.10	(357)	(268,294)	(268)	
Min Maw Precision Industry Corp.	PT. Walsin Research Innovation Indonesia	Indonesia	Consulting and management	224	224	70	0.50	134	(4,137)	(21)	
Berg Holding Limited	PT. Sunny Metal Industry	Indonesia	Manufacture and sale of nickel matte	US$ 59,443	US$ 59,443	39,350	39.35	1,663,716	(498,675)	(196,229)	

Note 1: A 36.27% equity interest was jointly acquired with the subsidiary Special Melted Products Limited.

Note 2: In October 2025, changing its status from an associate to a subsidiary. Please refer to Note 33.

Note 3: Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars, Euro and Hong Kong dollars.

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi)

1. The names of investee companies in mainland China, main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Type (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Jiangyin Walsin Steel Cable Co., Ltd.	Manufacture and sale of steel cables and wires	$ 628,600 (US$ 20,000)	b	$ 818,469 (US$ 26,041) (Note 2)	$ - -	$ - -	$ 818,469 (US$ 26,041) (Note 2)	$ (30,466)	100.00	$ (30,446)	$ 665,089	$ -
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Manufacture and sale of cables and wires	491,157 (US$ 15,627)	b	470,067 (US$ 14,956) (Note 3)	- -	- -	470,067 (US$ 14,956) (Note 3)	35,710	95.71	34,180	654,067	-
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	5,597,054 (US$ 178,080)	b	2,652,063 (US$ 84,380) (Note 4)	- -	- -	2,652,063 (US$ 84,380) (Note 4)	106,823	100.00	91,607	2,280,000	-
Walsin (China) Investment Co., Ltd.	Investments	2,470,398 (US$ 78,600)	b	2,470,398 (US$ 78,600) (Note 5)	- -	- -	2,470,398 (US$ 78,600) (Note 5)	(17,798)	100.00	(17,798)	4,064,053	-
Changshu Walsin Specialty Steel Co., Ltd.	Manufacture and sale of specialized steel tubes	3,048,710 (US$ 97,000)	b	3,048,710 (US$ 97,000) (Note 6)	- -	- -	3,048,710 (US$ 97,000) (Note 6)	219,544	100.00	219,544	1,942,285	-
Dongguan Walsin Wire & Cable Co., Ltd.	Manufacture and sale of bare copper cables and wires	817,180 (US$ 26,000)	b	817,180 (US$ 26,000) (Note 7)	- -	- -	817,180 (US$ 26,000) (Note 7)	37,881	100.00	37,881	1,503,621	-
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat rolled products	1,540,070 (US$ 49,000)	b	1,540,070 (US$ 49,000) (Note 8)	- -	- -	1,540,070 (US$ 49,000) (Note 8)	(479,566)	100.00	(479,566)	225,876	-
XiAn Walsin Metal Product Co., Ltd. (Note 11)	Manufacture and sale of specialized stainless steel plates	1,739,651 (US$ 55,350)	b	947,615 (US$ 30,150)	- -	- -	947,615 (US$ 30,150)	(11,658)	100.00	(11,658)	(933,874)	-
Yantai Walsin Stainless Steel Co., Ltd.	Production and sale of electronic components and new alloy materials	11,631,143 (US$ 370,065) (Note 9)	b	7,792,346 (US$ 247,927)	- -	- -	7,792,346 (US$ 247,927)	(1,623,747)	100.00	(1,623,747)	2,285	-
Yantai Huaxin Renewable Resources Co., Ltd.	Recycling, processing, and sales of renewable resources	89,431 (RMB 20,000) (Note 15)	b	- (RMB -)	- -	- -	- (RMB -)	(1,735)	100.00	(1,735)	87,656	-
Changzhou China Steel Precision Materials Co., Ltd.	Melting and forging of nonferrous metallic materials and composites as well as new types of alloys	1,370,348 (US$ 43,600) (Note 13)	b	411,104 (US$ 13,080)	- -	- -	411,014 (US$ 13,080)	18,982	30.00	5,694	496,843	1,026,347 (US$ 32,655)

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Type (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Nanjing Taiwan Trade Mart Management Co., Ltd.	Business and asset management, consulting and advertising services	$ 31,430 (US$ 1,000)	b	$ 31,430 (US$ 1,000)	$ - -	$ - -	$ 31,430 (US$ 1,000)	$ (30,138)	100.00	$ (30,138)	$ (576,128)	$ -
Shaanxi Tianhong Silicon Industrial Corporation	Polysilicon production	5,365,860 (RMB 1,200,000)	b	- (US$ -)	- -	- -	- (US$ -)	-	19.00	-	- (Note 10)	-
Jiangsu Taiwan Trade Mart Development Co., Ltd.	Development and management of Nanjing Taiwan Trade Mart Management Co., Ltd.	44,716 (RMB 10,000)	b	9,555 (US$ 304)	- -	- -	9,555 (US$ 304)	74	20.00	13	- (Note 19)	-
Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. (Note 12)	Communications equipment and electronic components	695,760 (RMB 155,597)	b	- (RMB -)	- -	- -	- (RMB -)	22,666	6.02	-	70,369	-
Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	1,571,500 (US$ 50,000)	b	1,565,214 (US$ 49,800) (Note 14)	- -	- -	1,565,214 (US$ 49,800) (Note 14)	(486,776)	99.60	(484,840)	7,738,831	-
Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	4,472 (RMB 1,000)	b	- (RMB -)	- -	- -	- (RMB -)	8,154	99.60	8,123	(13,808)	-
Dong Guan Cogne Steel Products Co., Ltd.	Stainless steel products	851,984 (EUR 23,089)	b	- (EUR -)	- -	- -	- (EUR -)	23,735	70.00	16,615	613,863	-
Hangzhou Futong Electric Industries Co., Ltd.	Power cable accessories and technology development, technical service, technical advisory	447,155 (RMB 100,000)	b	- (RMB -)	- -	- -	- (RMB -)	23,365	51.00	11,916	139,960	-

2. The upper limit on investment of WLC in mainland China was as follows:

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025 (NT$ and US$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT$ and US$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (NT$ in Thousands)
$ 20,105,394 (US$ 639,688)	$ 21,044,239 (US$ 669,559)	N/A (Note 18)

Note 1: Investments can be classified into three categories as follow:

a. Direct investment in mainland China.
b. Reinvestment in mainland China through companies in a third country companies.
c. Others.

Note 2: Including US$15,000 thousand investment through Walsin (China) Investment Co., Ltd.

Note 3: Including US$14,950 thousand investment through Walsin (China) Investment Co., Ltd.

Note 4: Including US$13,300 thousand investment through Walsin (China) Investment Co., Ltd., US$53,000 thousand investment through Ace Result Global Ltd. and US$22,730 thousand dividends appropriated from Dongguan Walsin Wire & Cable Co., Ltd., Jiangying Walsin Steel Cable Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd.

Note 5: Capital investment of US$28,600 thousand was contributed from the accounts payable of Walsin (China) Investment Co., Ltd. to Walsin Lihwa Holdings Limited.

(Continued)

Note 6: Including US$20,000 thousand investment through Walsin Specialty Steel Corp. and US$42,000 thousand dividends appropriated from Changshu Walsin Specialty Steel Co., Ltd. and Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd.

Note 7: Investment through Walsin (China) Investment Co., Ltd.

Note 8: Including investments through Walsin (China) Investment Co., Ltd. of US$4,500 thousand and US$4,500 thousand of the own capital of Walsin (China) Investment Co., Ltd.

Note 9: Including investments of its own capital of RMB578,796 thousand from Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd., Changzhou Wujin NSL Co., Ltd. and Changshu Walsin Specialty Steel Co., Ltd. and RMB3,750 thousand investments through Changzhou Wujin NSL Co., Ltd. Including US$32,927 thousand investment through Yantai Huanghai Iron and Steel Co., Ltd. and Yantai Dazhong Recycling Resource Co., Ltd. which were merged.

Note 10: The amount was adjusted by the capital of XiAn Lv Jing Technology Co., Ltd. of RMB228,000 thousand and by the fair value.

Note 11: XiAn Walsin Metal Product Co., Ltd. merged XiAn Lv Jing Technology Co., Ltd. and XiAn Walsin Opto-electronic Limited.

Note 12: Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. was formerly known as Shaanxi Optoelectronics Technology Co., Ltd.

Note 13: The amount included capitalization of retained earnings of US$7,280 thousand.

Note 14: The amount included investment through Joint Success Enterprise Limited approved in the previous years.

Note 15: Investment through Yantai Walsin Stainless Steel Co., Ltd.

Note 16: Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars, Renminbi and Euro.

Note 17: The currency exchange rates of December 31, 2025 were as follows: US$ to NT$ = 1:31.43, RMB to NT$ = 1:4.47155, EUR to NT$ = 1:36.90. The average exchange rates as of December 31, 2025 were as follows: US$ to NT$ = 1:31.179, RMB to NT$ = 1:4.36974, EUR to NT$ = 1:35.17486.

Note 18: The basis for recognizing investment gains and losses in the current period is the financial report audited by an international accounting firm that has a cooperative relationship with the accounting firm of the Republic of China.

Note 19: Walsin Lihwa Corporation disposed of its entire equity interest in Jiangsu Taiwan Trade Mart Development Co., Ltd. in August 2025.

Note 20 Upper limit on investment:

WLC was approved as the operation headquarter by the Industrial Development Bureau, Ministry of Economic Affairs and is thus exempted from the related regulations of “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”.

(Concluded)

CHIN-CHERNG CONSTRUCTION CO.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi)

1. The names of investee companies in mainland China, main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

(In Thousands of U.S. and Renminbi)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	US$ 50,000	Note 1	US$ 25,475	$ -	$ -	US$ 25,475	$ (111,397)	50.95	$ (56,757)	$ 885,301	$ -
Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	1,000	Note 1	-	-	-	-	1,866	50.95	951	(1,580)	-

2. The upper limit on investment in mainland China

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025 (NT$ and US$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT$ and US$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (NT$ in Thousands)
US$ 25,475	US$ 25,475	NT$ 3,124,212 (Note 3)

Note 1: Investing in companies in mainland China through the companies already established and existing in the areas other than Taiwan and mainland China.

Note 2: The basis for recognizing investment gains and losses in the current period is the financial statements audited by an international accounting firm that has a cooperative relationship with the accounting firm of the Republic of China.

Note 3: The upper limit on investment in mainland China was as follows:

NT$5,207,020 × 60% = NT$3,124,212 thousand.

Note 4: Amounts are stated in thousands of Renminbi, except those stated in thousands of U.S. dollars.

TABLE 8

WALSIN LIHWA CORPORATION AND INVESTEES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, U.S. Dollars, Renminbi and Euro)

No.	Company Name	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	Percentage of Consolidated Total Gross Sales or Total Assets (%)
1	Walsin (China) Investment Co., Ltd.	Yantai Walsin Specialty Steel Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables	RMB 3,075,937	Based on capital demand	5
2	Walsin International Investments Limited	Walsin (China) Investment Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables	RMB 3,284,055	Based on capital demand	5
3	Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Transactions between subsidiaries	Sales	RMB 317,650	The terms are set by quotations on the local market and are similar to those of general customers	1
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Transactions between subsidiaries	Sales	RMB 399,153	The terms are set by quotations on the local market and are similar to those of general customers	1
4	Walsin Singapore Pte. Ltd.	PT. Sunny Metal Industry	Transactions between parent company and subsidiaries	Other receivables	US$ 329,449	Based on capital demand	3
		Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Sales	US$ 489,032	The terms are set by quotations on the local market and are similar to those of general customers	9
		Walsin Lihwa Europe S.a r.l.	Transactions between subsidiaries	Other receivables	US$ 143,918	Based on capital demand	1
5	PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Transactions between parent company and subsidiaries	Trade receivables	US$ 131,036	The terms are set by quotations on the local market and are similar to those of general customers	1
		Walsin Singapore Pte. Ltd.	Transactions between subsidiaries and parent company	Trade receivables	US$ 53,550	The terms are set by quotations on the local market and are similar to those of general customers	1
		Walsin Singapore Pte. Ltd.	Transactions between subsidiaries and parent company	Sales	US$ 393,818	The terms are set by quotations on the local market and are similar to those of general customers	7
		PT. Walhsu Metal Industry	Transactions between parent company and subsidiaries	Sales	US$ 61,599	The terms are set by quotations on the local market and are similar to those of general customers	1
6	PT. Walhsu Metal Industry	Walsin Singapore Pte. Ltd.	Transactions between subsidiaries and parent company	Sales	US$ 72,464	The terms are set by quotations on the local market and are similar to those of general customers	1
7	Cogne Acciai Speciali S.p.A.	Cogne Edelstahl GmbH	Transactions between parent company and subsidiaries	Sales	EUR 32,941	The terms are set by quotations on the local market and are similar to those of general customers	1
		Degerfors Long Products AB	Transactions between parent company and subsidiaries	Sales	EUR 29,402	The terms are set by quotations on the local market and are similar to those of general customers	1
		DMV France S.A.S.	Transactions between parent company and subsidiaries	Sales	EUR 28,519	The terms are set by quotations on the local market and are similar to those of general customers	1
8	Com.Steel Inox S.p.A.	Cogne Acciai Speciali S.p.A.	Transactions between subsidiaries and parent company	Sales	EUR 102,681	The terms are set by quotations on the local market and are similar to those of general customers	2