China Motor Corporation and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2026 and 2025 and Independent Auditors’ Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
China Motor Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of China Motor Corporation and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

The financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of March 31, 2026 and 2025, combined total assets of these non-significant subsidiaries were NT$4,380,139 thousand and NT$4,510,502 thousand, respectively, both representing 8% of the consolidated total assets, and combined total liabilities of these non-significant subsidiaries were NT$1,504,266 thousand and NT$1,708,394 thousand, respectively, both representing 11% of the consolidated total liabilities; for the three months ended March 31, 2026 and 2025, the amounts of combined comprehensive income of these non-significant subsidiaries were NT$52,981 thousand and NT$56,054 thousand, respectively, representing 5% and 6% of the consolidated total comprehensive income. As disclosed in Note 15 to the consolidated financial statements, as of March 31, 2026 and 2025, the amounts of investments accounted for using the equity method were NT$12,438,155 thousand and NT$13,101,935 thousand, respectively, and for the three months ended March 31, 2026 and 2025, the comprehensive income of these equity-method investments were NT$257,084 thousand and NT$378,978 thousand, respectively, which were calculated on the basis of financial statements that have not been reviewed.

Qualified Conclusion

Based on our reviews, except for adjustments and the reports of other auditors (refer to the other matter paragraph), if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries, the investments accounted for using the equity method and the relevant information as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

In the consolidated financial statements of China Motor Corporation and its subsidiaries, the financial statements of Kian Shen Corporation and its subsidiaries as of and for the three months ended March 31, 2026 and 2025 were reviewed by other auditors. Our conclusion, insofar as it relates to the amounts included for Kian Shen Corporation and its subsidiaries, is based solely on the report of the other auditors. The total assets of Kian Shen Corporation and its subsidiaries were NT$5,758,402 thousand and NT$5,925,479 thousand, respectively, both representing 11%, of consolidated total assets as of March 31, 2026 and 2025. The amounts of operating revenue of the subsidiary were NT$281,735 thousand and NT$276,927 thousand, respectively, both representing 3%, of consolidated total operating revenue for the three months ended March 31, 2026 and 2025.

The financial statements of Guangzhou NTN-Yulon Drivertrain Co., Ltd. and Tokio Marine Newa Insurance Co., Ltd. as of and for the three months ended March 31, 2026 and 2025, which were investments accounted for using the equity method of the Group, were reviewed by other auditors. Our conclusion, insofar as it relates to the amounts included for these investees in the Group's consolidated financial statements, is based solely on the reports of the other auditors. As of March 31, 2026 and 2025, the aforementioned investments accounted for using the equity method amounted to NT$3,754,620 thousand and NT$3,372,902 thousand, respectively, representing 7% and 6%, respectively, of the Group's total assets. For the three months ended March 31, 2026 and 2025, the Group's share of comprehensive income of the aforementioned investments accounted for using the equity method amounted to NT$227,929 thousand and NT$248,336 thousand, respectively, representing 22% and 26%, respectively, of the Group's consolidated total comprehensive income.

The engagement partners on the reviews resulting in this independent auditors' review report are You-Cheng Hsin and Chih-Ming Shao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 14, 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 review such consolidated financial statements are those generally applied in the Republic of China.

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

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 4,317,302	8	$ 3,700,569	7	$ 4,889,320	9
Financial assets at fair value through profit or loss (Note 7)	74,272	-	62,705	-	134,187	-
Financial assets at amortized cost (Notes 9, 10 and 30)	260,237	-	260,237	1	270,621	1
Financial assets for hedging (Note 11)	89,965	-	540,359	1	640,184	1
Notes and accounts receivable, net (Note 12)	983,514	2	1,167,392	2	1,170,534	2
Trade receivables from related parties (Note 29)	1,860,412	3	1,453,132	3	1,458,707	3
Other receivables	33,383	-	63,208	-	56,716	-
Inventories (Note 13)	5,789,882	11	5,872,238	11	5,523,491	10
Prepayments (Note 29)	845,460	2	957,799	2	927,027	2
Other current assets (Note 23)	275,909	1	253,695	-	573,353	1
Total current assets	14,530,336	27	14,331,334	27	15,644,140	29
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss (Note 7)	589,025	1	591,186	1	562,082	1
Financial assets at fair value through other comprehensive income (Note 8)	461,736	1	430,200	1	332,067	1
Investments accounted for using the equity method (Note 15)	25,903,853	48	25,933,861	48	26,310,741	48
Property, plant and equipment (Notes 16, 29 and 30)	9,706,833	18	9,574,371	18	8,938,605	16
Right-of-use assets (Notes 17 and 29)	321,268	1	338,256	1	137,861	-
Investment properties (Notes 18 and 30)	1,253,274	2	1,257,492	2	1,268,113	2
Intangible assets under development (Note 29)	1,067,307	2	1,069,543	2	1,016,780	2
Deferred tax assets	242,402	-	243,446	-	257,918	1
Other non-current assets (Note 16)	256,971	-	271,523	-	177,290	-
Total non-current assets	39,802,669	73	39,709,878	73	39,001,457	71
TOTAL	$ 54,333,005	100	$ 54,041,212	100	$ 54,645,597	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	$ 3,255,000	6	$ 4,280,000	8	$ 3,784,000	7
Short-term bills payable (Note 19)	1,148,554	2	29,990	-	269,959	1
Notes and accounts payable	2,431,873	4	2,570,412	5	2,750,404	5
Trade payables to related parties (Note 29)	617,654	1	654,033	1	741,765	1
Dividends payable	2,012,350	4	19,354	-	2,344,148	4
Other payables (Notes 16 and 20)	1,729,425	3	2,481,716	5	2,116,614	4
Current tax liabilities (Note 4)	405,839	1	268,025	1	929,823	2
Lease liabilities (Notes 17 and 29)	66,907	-	66,895	-	31,396	-
Other current liabilities (Notes 7, 11, 23, 29 and 31)	803,083	2	781,337	1	1,018,983	2
Total current liabilities	12,470,685	23	11,151,762	21	13,987,092	26
NON-CURRENT LIABILITIES						
Deferred tax liabilities	736,754	1	758,938	1	796,815	2
Lease liabilities (Notes 17 and 29)	246,725	1	262,421	1	109,146	-
Net defined benefit liabilities (Note 4)	44,670	-	64,496	-	135,756	-
Other non-current liabilities	56,687	-	50,670	-	57,201	-
Total non-current liabilities	1,084,836	2	1,136,525	2	1,098,918	2
Total liabilities	13,555,521	25	12,288,287	23	15,086,010	28
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 22)						
Ordinary shares	5,536,203	10	5,536,203	10	5,536,203	10
Capital surplus	7,458,949	14	7,458,794	14	7,454,861	14
Retained earnings						
Legal reserve	10,926,422	20	10,926,422	20	10,515,348	19
Special reserve	1,025,833	2	1,025,833	2	1,025,833	2
Unappropriated earnings	11,740,777	22	13,030,645	24	10,999,953	20
Total retained earnings	23,693,032	44	24,982,900	46	22,541,134	41
Other equity						
Exchange differences on translating the financial statements of foreign operations	(81,028)	-	(389,696)	(1)	(106,744)	-
Unrealized valuation gain on financial assets at fair value through other comprehensive income	254,718	-	287,093	1	214,932	-
Gain (loss) on hedging instruments (Note 11)	2,040	-	13,726	-	619	-
Total other equity	175,730	-	(88,877)	-	108,807	-
Total equity attributable to owners of the Corporation	36,863,914	68	37,889,020	70	35,641,005	65
NON-CONTROLLING INTERESTS (Notes 14 and 22)	3,913,570	7	3,863,905	7	3,918,582	7
Total equity	40,777,484	75	41,752,925	77	39,559,587	72
TOTAL	$ 54,333,005	100	$ 54,041,212	100	$ 54,645,597	100

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

(With Deloitte & Touche review report dated May 14, 2026)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 29)				
Net sales	$ 9,075,509	96	$ 7,582,989	95
Other operating revenue	340,536	4	366,865	5
Total operating revenue	9,416,045	100	7,949,854	100
OPERATING COSTS (Notes 13, 21, 24 and 29)				
Cost of goods sold	7,920,482	84	6,670,527	84
Other operating costs	185,806	2	262,757	3
Total operating costs	8,106,288	86	6,933,284	87
GROSS PROFIT	1,309,757	14	1,016,570	13
UNREALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	(30,395)	-	(6,540)	-
REALIZED GROSS PROFIT	1,279,362	14	1,010,030	13
OPERATING EXPENSES (Notes 21, 24 and 29)				
Selling and marketing expenses	187,467	2	139,253	2
General and administrative expenses	241,196	3	226,618	3
Research and development expenses	415,230	4	491,620	6
Total operating expenses	843,893	9	857,491	11
PROFIT FROM OPERATIONS	435,469	5	152,539	2
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates and joint ventures (Note 15)	343,069	3	519,877	7
Interest income	12,621	-	23,069	-
Other income	6,559	-	5,702	-
Net foreign exchange gain	871	-	29,638	-
Gain on financial instruments at fair value through profit or loss	(2,047)	-	1,434	-
Interest expense (Note 29)	(20,955)	-	(11,891)	-
Other expense	(3,221)	-	(1,199)	-
Total non-operating income and expenses	336,897	3	566,630	7

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CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
PROFIT BEFORE INCOME TAX	$ 772,366	8	$ 719,169	9
INCOME TAX EXPENSE (Notes 4 and 25)	152,749	1	47,987	1
NET PROFIT FOR THE PERIOD	619,617	7	671,182	8
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income (Note 22)	31,536	-	16,656	-
Gain on hedging instruments (Notes 11 and 22)	9,219	-	7,875	-
Share of other comprehensive income of associates (Notes 15 and 22)	(3,865)	-	26,825	1
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 25)	(1,274)	-	(1,125)	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statements of foreign operations (Note 22)	53,697	1	28,809	-
Share of the other comprehensive income of associates and joint ventures (Notes 15 and 22)	328,012	3	202,997	3
Other comprehensive income for the period, net of income tax	417,325	4	282,037	4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 1,036,942	11	$ 953,219	12

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CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	$ 642,993	7	$ 629,397	8
Non-controlling interests	(23,376)	-	41,785	-
	$ 619,617	7	$ 671,182	8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 987,277	10	$ 863,210	11
Non-controlling interests	49,665	1	90,009	1
	$ 1,036,942	11	$ 953,219	12
EARNINGS PER SHARE (Note 26)				
Basic	$ 1.18		$ 1.15	
Diluted	$ 1.18		$ 1.15	

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

(With Deloitte & Touche review report dated May 14, 2026) (Concluded)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											
	Ordinary Shares			Retained Earnings			Other Equity					
	Number of Shares (In Thousands)	Amounts	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
BALANCE ON JANUARY 1, 2025	553,620	$ 5,536,203	$ 7,454,640	$ 10,515,348	$ 1,025,833	$ 12,689,524	$ (290,326)	$ 177,689	$ (2,553)	$ 37,106,358	$ 3,828,573	$ 40,934,931
Appropriation of the 2024 earnings Cash dividends distributed by the Corporation	-	-	-	-	-	(2,325,206)	-	-	-	(2,325,206)	-	(2,325,206)
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	221	-	-	-	-	-	-	221	-	221
Net profit for the three months ended March 31, 2025	-	-	-	-	-	629,397	-	-	-	629,397	41,785	671,182
Other comprehensive income for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	1,931	183,582	41,550	6,750	233,813	48,224	282,037
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	631,328	183,582	41,550	6,750	863,210	90,009	953,219
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	4,307	-	(4,307)	-	-	-	-
Basis adjustment to loss on hedging instruments	-	-	-	-	-	-	-	-	(3,578)	(3,578)	-	(3,578)
BALANCE ON MARCH 31, 2025	553,620	$ 5,536,203	$ 7,454,861	$ 10,515,348	$ 1,025,833	$ 10,999,953	$ (106,744)	$ 214,932	$ 619	$ 35,641,005	$ 3,918,582	$ 39,559,587
BALANCE ON JANUARY 1, 2026	553,620	$ 5,536,203	$ 7,458,794	$ 10,926,422	$ 1,025,833	$ 13,030,645	$ (389,696)	$ 287,093	$ 13,726	$ 37,889,020	$ 3,863,905	$ 41,752,925
Appropriation of the 2025 earnings Cash dividends	-	-	-	-	-	(1,993,033)	-	-	-	(1,993,033)	-	(1,993,033)
Change in capital surplus from investments accounted for using the equity method	-	-	155	-	-	-	-	-	-	155	-	155
Net profit for the three months ended March 31, 2026	-	-	-	-	-	642,993	-	-	-	642,993	(23,376)	619,617
Other comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	4,109	308,668	23,688	7,819	344,284	73,041	417,325
Total comprehensive income for the three months ended March 31, 2026	-	-	-	-	-	647,102	308,668	23,688	7,819	987,277	49,665	1,036,942
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	56,063	-	(56,063)	-	-	-	-
Basis adjustment to gain on hedging instruments	-	-	-	-	-	-	-	-	(19,505)	(19,505)	-	(19,505)
BALANCE ON MARCH 31, 2026	553,620	$ 5,536,203	$ 7,458,949	$ 10,926,422	$ 1,025,833	$ 11,740,777	$ (81,028)	$ 254,718	$ 2,040	$ 36,863,914	$ 3,913,570	$ 40,777,484

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

(With Deloitte & Touche review report dated May 14, 2026)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 772,366	$ 719,169
Adjustments for:		
Depreciation expense	241,150	198,638
Amortization expense	57,136	54,047
Expected credit loss recognized (reversed)	(8,692)	470
Net loss (gain) on fair value change of financial instruments at fair value through profit or loss	2,047	(1,434)
Interest expense	20,955	11,891
Interest income	(12,621)	(23,069)
Share of profit of associates and joint ventures accounted for using the equity method	(343,069)	(519,877)
Loss on disposal of property, plant and equipment	1,773	285
Impairment loss (gain on reversal) of non-financial assets	(23,085)	(13,500)
Unrealized gain on transactions with associates	30,395	6,540
Unrealized gain (loss) on foreign currency exchange	28,209	11,897
Reversal of provisions	-	(11,891)
Changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	(11,514)	(32,657)
Notes and accounts receivable	189,824	(47,367)
Trade receivables from related parties	(407,265)	(288,869)
Other receivables	33,739	63,358
Inventories	96,096	269,521
Prepayments	112,339	65,440
Other current assets	(22,276)	(66,973)
Notes and accounts payable	(138,418)	344,890
Trade payables to related parties	(37,159)	16,144
Other payables	(747,850)	(723,143)
Other current liabilities	26,460	147,151
Net defined benefit liabilities	(19,826)	(52,149)
Cash (used in) generated from operations	(159,286)	128,512
Income tax paid	(28,978)	(6,738)
Net cash (used in) generated from operating activities	(188,264)	121,774
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(11,467)	(11,467)
Proceeds from repayment of principal of financial assets at amortized cost	11,467	11,467
Acquisition of property, plant and equipment	(382,709)	(420,546)

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CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	2025
Proceeds from disposal of property, plant and equipment	$ 4,762	$ 432
Acquisition of intangible assets	(37,899)	(59,821)
Decrease in other non-current assets	640	81,728
Interest received	9,067	20,386
Dividends received	666,984	-
Net cash generated from (used in) investing activities	260,845	(377,821)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	(1,025,000)	584,000
Increase (decrease) in short-term bills payable	1,120,000	(289,789)
Repayment of the principal portion of lease liabilities	(16,888)	(15,979)
Increase in other non-current liabilities	6,017	1,781
Interest paid	(27,216)	(11,919)
Net cash generated from financing activities	56,913	268,094
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	55,559	37,543
NET INCREASE IN CASH AND CASH EQUIVALENTS	185,053	49,590
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4,218,448	5,479,914
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 4,403,501	$ 5,529,504

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets at March 31, 2026 and 2025:

	March 31	
	2026	2025
Cash and cash equivalents in the consolidated balance sheets	$ 4,317,302	$ 4,889,320
Cash and cash equivalents included in financial assets for hedging	86,199	640,184
Cash and cash equivalents in the consolidated statements of cash flows	$ 4,403,501	$ 5,529,504

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

(With Deloitte & Touche review report dated May 14, 2026) (Concluded)

1. GENERAL INFORMATION

China Motor Corporation (the "Corporation") is principally engaged in the manufacture and sale of automobiles and its related parts and components, and the Corporation's shares have been listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements of the Corporation and its subsidiaries (collectively referred to as the "Group") were approved by the Corporation's board of directors on May 12, 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 IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

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

1) 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.

2) 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.

3) 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.

2. Amendments to application guidance for derecognition of financial liabilities

The amendments mainly clarify that financial liabilities should be derecognized on the settlement date.

However, when an entity settles a financial liability in cash using an electronic payment system, if the following conditions are met, the entity may elect to derecognize the financial liability before the settlement date:

(1) The entity does not have the practical ability to revoke, stop, or cancel the payment instruction;

(2) The entity does not have the practical ability to access the cash that will be used to settle the financial liability due to the payment instruction; and

(3) Settlement risk related to the electronic payment system is not significant.

b. 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 2025 Amendments)	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 domestic enterprises should adopt IFRS 18 starting from January 1, 2028. Early adoption is also permitted after the FSC endorses IFRS 18.

IFRS 18 “Presentation and Disclosure in Financial Statements”

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 amendments have been made to IAS 7 "Statement of Cash Flows":

1. When preparing cash flows from operating activities using the indirect method, entities shall use profit or loss from operations as the reconciliation starting point.

2. Interest and dividends received by entities shall be classified as investing activities, whereas interest and dividends paid shall be classified as financing activities. If an entity is assessed to have specific main business activities, the types of dividend income, interest income, and interest expense presented in the statement of profit or loss shall be considered in determining the classification of dividends received, interest received, and interest paid in the statement of cash flows. However, each of the above cash flows shall only be classified within a single type of activity 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

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

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

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

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

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

c. Basis of consolidation

1) Principles for preparing the consolidated financial statements

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

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

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

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

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

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

2) Subsidiaries included in the consolidated financial statements

			Combined Shareholding Ratio (%)			
Investor	**Investee**	**Main Business**	**March 31, 2026**	**December 31, 2025**	**March 31, 2025**	**Note**
China-Motor Corporation (parent)	Kian Shen Corporation ("Kian Shen")	Production of frame of heavy-duty car and mold	43.87	43.87	43.87	a) and e)
	Hwa Wei Holdings Corporation Ltd. ("Hwa Wei")	Overseas investment in production and service industries	100.00	100.00	100.00	
	China Engine Corporation ("China Engine")	Manufacture of automobile engine and parts	52.10	52.10	52.10	
	Sino Diamond Motors Corporation ("Sino Diamond Motors")	Sales and providing after-sales service of vehicle	100.00	100.00	100.00	e)
	Alliance Investment & Management Co., Ltd. ("Alliance Investment & Management")	Investment	100.00	100.00	100.00	
	China Motor Investment Co., Ltd. (CMI)	Investment	100.00	100.00	100.00	
	COC Tooling & Stamping Co., Ltd. (COC)	Production of mold, fixture and gauge of vehicle	49.76	49.76	49.76	b)
Kian Shen	Kian Shen Investment Co., Ltd. ("Kian Shen Investment")	Overseas investment in production and service industries	43.87	43.87	43.87	a) and e)
Sino Diamond Motors	Hwa-Yu Corporation Ltd. ("Hwa-Yu")	Overseas investment in production and service industries	100.00	100.00	100.00	
	Brilliant Insight International Consultancy Service Co., Ltd. ("Brilliant Insight International")	Consulting and servicing business	100.00	100.00	100.00	
	Greentrans Corporation ("Greentrans")	Automatic control equipment engineering and sales of motorcycle, bicycle and parts	100.00	100.00	100.00	
	Ling Wei Motor Co., Ltd. ("Ling Wei")	Sales of second-hand vehicle	100.00	100.00	100.00	
	MG Motor Taiwan Co., Ltd. ("MG Motor")	Sales of vehicle	100.00	100.00	100.00	e)
	Looplus Service Technology Inc. ("Looplus Service")	Information software service and rental industry	45.00	45.00	45.00	c)
Alliance Investment & Management	Greentrans Investment Co., Ltd. ("Greentrans Investment")	Investment	-	-	100.00	d)
COC	Y. M. Hi-Tech Industry Ltd. ("Y. M. Hi-Tech")	Steel plate cutting	42.30	42.30	42.30	b)
Kian Shen Investment	Kian Shen Investment Hong Kong Co., Limited (KSIHK)	Investment	43.87	43.87	43.87	a) and e)
Hwa-Yu	Hwa-Lin Investments Ltd. ("Hwa-Lin")	Overseas investment in production and service industries	100.00	100.00	100.00	
	Fujian Rui Hua Consulting Co., Ltd. ("Fujian Rui Hua")	Consulting and servicing business	100.00	100.00	100.00	

a) The Group held 43.87% equity interest in Kian Shen. Kian Shen is a listed company and 56.13% of its shares were held by numerous shareholders unrelated to the Group. Owing to the Group's substantial influence on Kian Shen, an absolute number of voting rights and the relative size of other shareholdings, Kian Shen and its subsidiaries were considered a subsidiary of the Group.

b) The Group held 49.76% equity in COC. However, since the Corporation controls more than half of the board members and holds relative majority of shares, COC and its subsidiaries were considered a subsidiary of the Group.

c) The Group held a 45% equity interest in Looplus Service. However, the Group invested in convertible preference shares and acquired more than half of the seats and voting rights on the board of directors. Given the fact that the voting rights have exceeded 50%, the Group gained control over Looplus Service, and classified it as a subsidiary of the Group.

d) Greentrans Investment resolved to dissolve in October 2024, and the deregistration was completed in November 2024.

e) The financial statements for the three months ended March 31, 2026 and 2025 of the remaining consolidated subsidiaries were reviewed by auditors.

f) Except for those mentioned in Remark e, the remaining subsidiaries' financial statements for the three months ended March 31, 2026 and 2025 were not reviewed by auditors.

For the relationships between the Corporation and its controlled entities as of March 31, 2026, refer to Table 8.

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Based on the assessment of the Group's management, the accounting policies, estimates, and assumptions adopted by the Group have not been subject to material accounting judgements, estimates and assumptions uncertainty.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash			
Cash on hand	$ 951	$ 1,260	$ 912
Checking accounts and demand deposits	1,821,587	1,253,312	1,797,287
	1,822,538	1,254,572	1,798,199
Cash equivalents			
Time deposits	2,494,764	2,445,997	2,601,121
Repurchase agreements	-	-	490,000
	2,494,764	2,445,997	3,091,121
	$ 4,317,302	$ 3,700,569	$ 4,889,320

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets - current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Mutual funds	$ 74,272	$ 62,125	$ 134,187
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	-	580	-
	$ 74,272	$ 62,705	$ 134,187
Financial assets - non-current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic unlisted shares	$ 589,025	$ 591,186	$ 562,082
Financial liabilities (included in other current liabilities)			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	$ 29	$ 90	$ -

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

March 31, 2026

Transaction	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	JPY/NTD	2026.08.13	JPY269,500/NTD55,072

December 31, 2025

Transaction	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	JPY/NTD	2026.02.06~ 2026.08.13	JPY669,500/NTD135,252

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
Investments in equity instruments at FVTOCI			
Domestic investments			
Listed shares	$ 863	$ 851	$ 843
Unlisted shares	26,389	26,162	27,026
	27,252	27,013	27,869
Foreign investments			
Unlisted shares	434,484	403,187	304,198
	$ 461,736	$ 430,200	$ 332,067

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected 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.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Pledged deposits (Note 30)	$ 260,237	$ 260,237	$ 270,621

a. The rates of pledged deposits ranged from 1.645%-1.70%, 1.645%-1.70% and 0.35%-1.70% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

b. Refer to Note 10 for information relating to the credit risk management and impairment.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments were classified as financial assets at amortized cost.

	March 31, 2026	December 31, 2025	March 31, 2025
Gross carrying amount	$ 260,237	$ 260,237	$ 270,621
Less: Allowance for impairment loss	-	-	-
Amortized cost	$ 260,237	$ 260,237	$ 270,621

The Group invests only in debt instruments that have higher credit ratings and low credit risk after impairment assessment. The credit rating information is supplied by independent rating agencies. The Group's exposure and the external credit ratings are continuously monitored. The Group reviews changes in bond yields and other publicly available information of debtors and makes an assessment whether there has been a significant increase in the credit risk since initial recognition.

The Group considers the historical probability of default and loss given default of each credit rating supplied by external rating agencies, the current financial condition of debtors, and the future prospects of the industries. The Group's current credit risk grading mechanism is as follows:

Credit Rating	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12-month ECLs

The gross carrying amounts of debt instrument investments classified by credit category and the corresponding expected loss rates were as follows:

March 31, 2026

Credit Rating	Expected Credit Loss Rate	Gross Carrying Amount At Amortized Cost
Performing	0.00%	$ 260,237

December 31, 2025

Credit Rating	Expected Credit Loss Rate	Gross Carrying Amount At Amortized Cost
Performing	0.00%	$ 260,237

March 31, 2025

Credit Rating	Expected Credit Loss Rate	Gross Carrying Amount At Amortized Cost
Performing	0.00%	$ 270,621

11. FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Cash flow hedges - spot rate	$ 86,199	$ 517,879	$ 640,184
Cash flow hedges - foreign exchange forward contracts	3,766	22,480	-
	$ 89,965	$ 540,359	$ 640,184
Financial liabilities (included in other current liabilities)			
Cash flow hedges - foreign exchange forward contracts	$ 1,641	$ 6,331	$ -

The Group's hedging strategy is to enter into foreign exchange forward contracts and to buy foreign currency banknotes at the spot rate to avoid exchange rate exposure from its foreign currency receipts and payments and to manage exchange rate exposure of its forecasted foreign currency denominated purchases. Those transactions are designated as cash flow hedges. Basis adjustments are made to the initial carrying amounts of non-financial hedged items when the anticipated purchases take place.

For the hedges of highly probable forecasted purchases, the critical terms (i.e., the notional amount, period and subject) of the foreign exchange forward contracts are corresponded to their hedged items. The Group performs a qualitative assessment and expects that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will be systematically changed in the opposite direction in respond to movements in the underlying exchange rate.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the foreign exchange forward contracts and foreign currency banknote, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness are expected to emerge from these hedging relationships. During the three months ended March 31, 2026 and 2025, hedging instruments at fair value and transferred to the initial carrying amount of hedged items are detailed in Note 22(d).

The following tables summarize the information relating to the hedges of foreign currency risk.

March 31, 2026

Hedging Instruments	Currency	Notional Amount (In Thousands)	Maturity	Forward Rate (Note)	Line Item	Carrying Amount Assets	Carrying Amount Liabilities	Change in Value Used for Calculating Hedge Ineffectiveness
Cash flow hedges								
Forecast purchases - spot rate	JPY/NTD	JPY429,921/NTD86,328	2026.06.29	0.2008	Financial assets for hedging	$ 86,199	$ -	$ (103)
Forecast purchases - foreign exchange forward contracts	JPY/NTD	JPY2,641,200/NTD537,498	2026.07.23~2027.02.28	0.1990~0.2047	Financial assets for hedging	3,766	-	3,582
Forecast purchases - foreign exchange forward contracts	JPY/NTD	JPY1,427,400/NTD291,557	2026.08.21~2027.02.28	0.2042~0.2044	Other current liabilities	-	(1,641)	(1,313)
						$ 89,965	$ (1,641)	$ 2,166

Note: JPY1:NTD, unless stated otherwise.

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or Losses on Hedging Instruments in Other Equity Continuing Hedges
Cash flow hedges		
Forecast purchases	$ (2,166)	$ 2,166

December 31, 2025

Hedging Instruments	Currency	Notional Amount (In Thousands)	Maturity	Forward Rate (Note)	Line Item	Carrying Amount Assets	Carrying Amount Liabilities	Change in Value Used for Calculating Hedge Ineffectiveness
Cash flow hedges								
Forecast purchases - spot rate	JPY/NTD	JPY2,184,648/NTD444,212	2026.02.13~ 2026.06.30	0.1992~0.2058	Financial assets for hedging	$ 438,677	$ -	$ (4,428)
Forecast purchases - spot rate	RMB/NTD	RMB17,616/NTD72,658	2026.03.02~ 2026.03.15	4.1243~4.1270 (RMB1:NTD)	Financial assets for hedging	79,202	-	5,236
Forecast purchases - foreign exchange forward contracts	JPY/NTD	JPY1,584,700/NTD317,211	2026.05.05~ 2026.07.23	0.1990~0.2005	Financial assets for hedging	2,969	-	2,375
Forecast purchases - foreign exchange forward contracts	USD/NTD	USD6,800/NTD197,578	2026.04.06~ 2026.05.03	29.0100~29.1100 (USD1:NTD)	Financial assets for hedging	16,348	-	13,078
Forecast purchases - foreign exchange forward contracts	RMB/USD	RMB48,054/USD6,800	2026.04.06~ 2026.05.03	7.0590~7.0759 (USD1:CNY)	Financial assets for hedging	3,163	-	2,530
Forecast purchases - foreign exchange forward contracts	JPY/NTD	JPY3,826,900/NTD781,113	2026.04.07~ 2026.11.27	0.2038~0.2044	Other current liabilities	-	(6,331)	(5,065)
						$ 540,359	$ (6,331)	$ 13,726

Note: JPY1:NTD, unless stated otherwise.

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or Losses on Hedging Instruments in Other Equity Continuing Hedges
Cash flow hedges		
Forecast purchases	$ (13,726)	$ 13,726

March 31, 2025

Hedging Instruments	Currency	Notional Amount (In Thousands)	Maturity	Forward Rate (Note)	Line Item	Carrying Amount Assets	Carrying Amount Liabilities	Change in Value Used for Calculating Hedge Ineffectiveness
Cash flow hedges								
Forecast purchases - spot rate	JPY/NTD	JPY97,293/NTD20,536	2025.05.26	0.2111	Financial assets for hedging	$ 21,667	$ -	$ 908
Forecast purchases - spot rate	RMB/NTD	RMB135,254/NTD615,714	2025.06.12~ 2025.07.14	4.5180~4.5613 (RMB1:NTD)	Financial assets for hedging	618,517	-	2,243
						$ 640,184	$ -	$ 3,151

Note: JPY1:NTD, unless stated otherwise.

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or Losses on Hedging Instruments in Other Equity Continuing Hedges
Cash flow hedges		
Forecast purchases	$ (3,151)	$ 3,151

Comprehensive Income Impact	Hedging Gains Recognized in OCI For the Three Months Ended March 31 2026	2025
Cash flow hedges		
Forecast purchases	$ 9,219	$ 7,875

The Group had signed component purchasing contracts with the suppliers in Japan and China, and also signed foreign exchange forward contracts with the banks and purchased foreign currency banknotes at the spot rate to avoid exchange rate risk associated with its forecasted purchases. When the forecasted purchases take place, the amount originally deferred and recognized in equity will be reclassified to the carrying amount of the materials purchased.

12. NOTES AND ACCOUNTS RECEIVABLE, NET

	March 31, 2026	December 31, 2025	March 31, 2025
At amortized cost			
Notes and accounts receivable	$ 988,773	$ 1,181,343	$ 1,186,077
Less: Allowance for impairment loss	(5,259)	(13,951)	(15,543)
	$ 983,514	$ 1,167,392	$ 1,170,534

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated by reference to the past default records of the customer and the customer's current financial position. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The aging of receivables was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Not past due	$ 959,421	$ 1,153,287	$ 1,136,756
1-60 days past due	22,190	13,651	36,102
61-90 days past due	1,798	1,956	1,873
Over 90 days past due	5,364	12,449	11,346
Gross carrying amount	988,773	1,181,343	1,186,077
Loss allowance (Lifetime ECLs)	(5,259)	(13,951)	(15,543)
Amortized cost	$ 983,514	$ 1,167,392	$ 1,170,534

The movements of the loss allowance of notes and accounts receivable were as follows:

	For the Three Months Ended March 31 2026	2025
Balance on January 1	$ 13,951	$ 15,073
Add: Net remeasurement (reversal) of loss allowance	(8,692)	470
Balance on March 31	$ 5,259	$ 15,543

13. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Merchandise	$ 326,909	$ 65,911	$ 99,739
Finished goods	1,842,768	2,770,510	1,432,803
Work in progress	429,867	375,094	675,422
Raw materials	2,385,382	2,397,205	3,306,363
Materials in transit	804,956	263,518	9,164
	$ 5,789,882	$ 5,872,238	$ 5,523,491

The costs of inventories recognized as cost of goods sold for the three months ended March 31, 2026 and 2025 were $7,920,482 thousand and $6,670,527 thousand, respectively.

14. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The remaining 56.13% interest in Kian Shen is dispersed and held by shareholders unrelated to the Group as of March 31, 2026, December 31, 2025 and March 31, 2025.

Refer to Tables 5 and 6 for the information on the place of incorporation and principal place of business of Kian Shen and its subsidiaries.

The summarized financial information below represents amounts before intragroup eliminations.

Kian Shen and its subsidiaries

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 2,768,107	$ 2,140,325	$ 2,492,981
Non-current assets	2,990,295	3,566,014	3,432,498
Current liabilities	(386,523)	(378,557)	(521,505)
Non-current liabilities	(278,533)	(304,703)	(269,194)
Equity	$ 5,093,346	$ 5,023,079	$ 5,134,780
Equity attributable to:			
Owners of Kian Shen	$ 2,234,451	$ 2,203,625	$ 2,252,628
Non-controlling interests of Kian Shen	2,858,895	2,819,454	2,882,152
	$ 5,093,346	$ 5,023,079	$ 5,134,780

	For the Three Months Ended March 31	
	2026	2025
Revenue	$ 281,735	$ 276,927
Profit (loss) for the period	$ (59,860)	$ 58,762
Other comprehensive income for the period	130,127	85,916
Total comprehensive income for the period	$ 70,267	$ 144,678

(Continued)

Profit attributable to:		
Owners of Kian Shen	$ (26,261)	$ 25,779
Non-controlling interests of Kian Shen	(33,599)	32,983
	$ (59,860)	$ 58,762
Total comprehensive income attributable to:		
Owners of Kian Shen	$ 30,826	$ 63,470
Non-controlling interests of Kian Shen	39,441	81,208
	$ 70,267	$ 144,678
Net cash inflow (outflow) from:		
Operating activities	$ (80,419)	$ (19,970)
Investing activities	640,399	(42,973)
Financing activities	16	(10)
Foreign exchange adjustments	52,118	27,813
Net cash inflow (outflow)	$ 612,114	$ (35,140)

(Concluded)

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Investments in associates	$ 19,975,853	$ 19,522,311	$ 19,617,267
Investments in joint ventures	5,928,000	6,411,550	6,693,474
	$ 25,903,853	$ 25,933,861	$ 26,310,741

a. Investments in associates

Associate	March 31, 2026	December 31, 2025	March 31, 2025
Material associates			
Yulon	$ 9,711,078	$ 9,528,721	$ 9,835,904
Associates that are not individually material	10,264,775	9,993,590	9,781,363
	$ 19,975,853	$ 19,522,311	$ 19,617,267

1) Material associates

The Group’s proportion of shareholding and voting rights in Yulon was 16.13% on March 31, 2026, December 31, 2025 and March 31, 2025.

The Group exercises significant influence over Yulon and applies the equity method of accounting because the Group had a representation on the board of directors of Yulon even though the Group holds less than 20% of interest in Yulon.

Refer to Table 5 for the nature of activities, principal places of business and countries of incorporation of the aforementioned associates.

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

Name of Associate	March 31, 2026	December 31, 2025	March 31, 2025
Yulon	$ 4,661,603	$ 5,681,328	$ 7,103,802

The summarized financial information below represents amounts shown in the associates' consolidated financial statements prepared in accordance with IFRS Accounting Standards, and reflects the adjustments made when the equity method of accounting was applied.

Yulon and its subsidiaries

	March 31, 2026	December 31, 2025	March 31, 2025
Current assets	$ 258,394,518	$ 257,376,995	$ 264,388,508
Non-current assets	111,328,097	109,569,557	110,420,472
Current liabilities	(256,969,597)	(257,086,727)	(252,309,926)
Non-current liabilities	(16,731,570)	(15,956,432)	(26,784,951)
Equity	96,021,448	93,903,393	95,714,103
Non-controlling interests	(31,567,970)	(30,657,827)	(30,821,838)
	$ 64,453,478	$ 63,245,566	$ 64,892,265
Proportion of the Group's ownership	16.13%	16.13%	16.13%
Equity attributable to the Group	$ 10,396,346	$ 10,201,510	$ 10,467,122
Unrealized gain from side stream transactions	(4,941)	(4,941)	(4,941)
Cross-shareholdings	(680,327)	(667,848)	(626,277)
Carrying amount	$ 9,711,078	$ 9,528,721	$ 9,835,904

	For the Three Months Ended March 31	
	2026	2025
Operating revenue	$ 16,975,232	$ 17,587,955
Net profit for the period	$ 1,054,318	$ 1,078,048
Other comprehensive income	1,081,428	567,701
Total comprehensive income for the period	$ 2,135,746	$ 1,645,749

2) Aggregate information of associates that are not individually material

	For the Three Months Ended March 31	
	2026	2025
The Group's share of:		
Net profit for the period	$ 285,127	$ 325,645
Other comprehensive income	16,453	48,075
Total comprehensive income for the period	$ 301,580	$ 373,720

All the associates are accounted for using the equity method.

Investments in associates that are not individually material are accounted for using the equity method although the Group holds less than 20% interest because the Group exercises significant influence on their major transactions or has representations on their board of directors.

The Group is the single largest shareholder of several associates. The Group's holding is less than 50% of the voting rights in the investees but the Group considered its holding of voting rights relative to the size and dispersion of the other shareholdings, which are not widely dispersed, and concluded that it has neither the ability to direct the relevant activities of the investees nor the control over the investees. The management of the Group considered the Group as exercising significant influence over the investees and, therefore, classified them as associates accounted for using the equity method.

b. Investments in joint ventures

	March 31, 2026	December 31, 2025	March 31, 2025
Joint ventures that are not individually material	$ 5,928,000	$ 6,411,550	$ 6,693,474

Aggregate information of joint ventures that are not individually material:

	For the Three Months Ended March 31	
	2026	2025
The Group's share of:		
Net profit of the period	$ 6,693	$ 129,318
Other comprehensive income (loss)	176,741	124,277
Total comprehensive income for the period	$ 183,434	$ 253,595

All the joint ventures are accounted for using the equity method.

Except for the financial statements of Yulon, Guangzhou NTN-Yulon Drivertrain Co., Ltd. and Tokio Marine Newa Insurance for the three months ended March 31, 2026 and 2025, the investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the associates' financial statements that have not been reviewed. As of March 31, 2026 and 2025, the amounts of investments accounted for using the equity method were NT$12,438,155 thousand and NT$13,101,935 thousand, respectively, and for the three months ended March 31, 2026 and 2025, the comprehensive income of these equity-method investments were NT$257,084 thousand and NT$378,978 thousand, respectively, which were calculated on the basis of financial statements that have not been reviewed.

16. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2026	December 31, 2025	March 31, 2025
Assets used by the Group			
Land	$ 3,671,206	$ 3,669,263	$ 3,636,225
Land improvements	54,597	56,165	17,752
Buildings	1,044,315	916,226	908,771
Machinery	3,202,484	2,853,599	2,822,798
Other equipment	629,270	648,374	434,048
Construction in progress	1,104,961	1,430,744	1,119,011
	$ 9,706,833	$ 9,574,371	$ 8,938,605

Except for the acquisition of the farmland and depreciation recognized, the Group did not have significant disposal or impairment of property, plant and equipment during the three months ended March 31, 2026 and 2025.

In August 2023, the Corporation's board of directors resolved to acquire the land adjacent to the Yangmei factory and to apply to the government approval for an industrial park with related expenditures of $2,277,000 thousand in response to operational needs and future business planning. The Smart Industrial Park development plan was approved by Taoyuan City Government on August 27, 2025. As of March 31, 2026, farmland acquisitions amounted to $1,635,402 thousand. The Group shall not be registered as nominee due to legal factors, so the farmland is temporarily registered in the name of key management personnel who have signed an agreement confirming the Group's ownership of the farmland.

Acquisitions of property, plant and equipment included payables for equipment, and the related reconciliations were as follows:

	For the Three Months Ended March 31	
	2026	2025
Increase in property, plant and equipment	$ 375,710	$ 417,461
Increase in prepaid land payments (included in other non-current assets)	152	-
Decrease in equipment payables (included in other payables)	6,847	3,085
	$ 382,709	$ 420,546

Except for tooling (included in machinery), which is depreciated on an expected production quantity basis, the above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Category	Useful Life
Land improvements	3-20 years
Buildings	2-60 years
Machinery	2-24 years
Other equipment	2-40 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 30.

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Land	$ 100,246	$ 103,941	$ 112,682
Buildings	214,840	227,728	17,548
Other equipment	6,182	6,587	7,631
	$ 321,268	$ 338,256	$ 137,861

	For the Three Months Ended March 31	
	2026	2025
Additions to right-of-use assets	$ 1,204	$ 13,943
Depreciation charge for right-of-use assets		
Land	$ 3,812	$ 4,396
Buildings	13,172	10,160
Other equipment	1,208	1,125
	$ 18,192	$ 15,681

Except for the aforementioned addition, recognized depreciation and lease modification, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
Carrying amount			
Current	$ 66,907	$ 66,895	$ 31,396
Non-current	$ 246,725	$ 262,421	$ 109,146

Range of discount rates for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Land	1.00%-2.07%	1.00%-2.00%	1.00%-2.00%
Buildings	1.00%-2.07%	1.00%-2.00%	1.00%-2.00%
Other equipment	0.95%-2.00%	0.95%-2.00%	0.95%-2.00%

c. Material leasing activities and terms

The Group leases land and buildings for the use of plants, and offices with lease terms of 2 to 20 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	$ 14,393	$ 9,115
Expenses relating to low-value asset leases	$ 243	$ 837
Total cash outflow for leases	$ 32,974	$ 26,530

The Group's leases of certain equipment qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

18. INVESTMENT PROPERTIES

	March 31, 2026	December 31, 2025	March 31, 2025
Investment properties	$ 1,253,274	$ 1,257,492	$ 1,268,113

Except for depreciation recognized, the Group did not have any significant addition, disposal, or impairment of investment properties during the three months ended March 31, 2026 and 2025.

The investment properties held by the Group are depreciated using the straight-line method over their estimated useful lives of 10 to 60 years.

The fair values of investment properties of the Group were $2,375,618 thousand and $2,516,122 thousand as of December 31, 2025 and 2024, respectively. The management of the Group had assessed and determined that there were no significant changes in the fair values as of March 31, 2026 and 2025, as compared to that as of December 31, 2025 and 2024, respectively.

The Group has freehold interests in all of its investment properties. The investment properties pledged as deposits for certain projects are set out in Note 30.

19. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Line of credit borrowings	$ 3,255,000	$ 4,280,000	$ 3,784,000

The ranges of interest rates on credit borrowings were 1.83%-1.88%, 1.83%-1.88% and 1.85%-1.95% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

b. Short-term bills payable

	March 31, 2026	December 31, 2025	March 31, 2025
Commercial paper	$1,150,000	$ 30,000	$ 270,000
Less: Unamortized discounts on bills payable	(1,446)	(10)	(41)
	$1,148,554	$ 29,990	$ 269,959

The ranges of interest rates on short-term bills payable were 1.70%-1.82%, 1.74% and 1.66%-1.74% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

20. OTHER PAYABLES

	March 31, 2026	December 31, 2025	March 31, 2025
Payables for salaries or bonuses	$ 331,455	$ 842,049	$ 483,141
Payables for warranties	326,793	314,081	377,160
Payables for taxes	297,327	252,135	376,625
Provisions for employee benefits	126,454	161,945	132,300
Payables for license fees	105,706	76,933	17,903
Payables for advertisement	57,905	121,448	132,200
Payables for equipment	46,569	53,416	46,472
Payables for development	8,250	32,186	61,338
Others	428,966	627,523	489,475
	$ 1,729,425	$ 2,481,716	$ 2,116,614

21. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2026 and 2025, the pension expenses of defined benefit plans were $1,867 thousand and $1,884 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2025 and 2024, respectively.

22. EQUITY

a. Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	1,800,000	1,800,000	1,800,000
Amount of shares authorized	$ 18,000,000	$ 18,000,000	$ 18,000,000
Number of shares issued and fully paid (in thousands)	553,620	553,620	553,620
Shares issued and fully paid	$ 5,536,203	$ 5,536,203	$ 5,536,203

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

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)			
Conversion of bonds	$ 5,183,923	$ 5,183,923	$ 5,183,923
Issuance of ordinary shares	1,184,920	1,184,920	1,184,920
Others	4,666	4,666	4,666
May only be used to offset a deficit			
Changes in percentage of ownership interest in subsidiaries (Note 2)	2,225	2,225	2,225
Share of changes in capital surplus of associates	1,083,215	1,083,060	1,079,127
	$ 7,458,949	$ 7,458,794	$ 7,454,861

Note 1: Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and to once a year).

Note 2: Such capital surplus arises from the effect of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Corporation made a profit in a fiscal year, the profit shall be first utilized for offsetting losses of previous years and paying taxes, then for setting aside as legal reserve 10% of the remaining profit. If there is remaining profit, the profit shall be utilized for setting aside a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings to be distributed in the form of cash shall be authorized and resolved by the Corporation's board of directors as the basis for proposing a distribution plan and reported to the shareholders' in their meeting according to the Company Act; if such retained earnings will be distributed in the form of new shares to be issued by the Corporation, the distribution shall be resolved by the shareholders' in their meeting for the distribution of earnings. For the policies on distribution of compensation of employees and remuneration of directors, refer to Note 24(e).

The operating environment of the Corporation is considered a mature and steady industry. In determining the amount of dividends to be distributed, the Corporation takes its future capital expenditures and related factors into account and also seeks to uphold the shareholders' interests while realizing the Corporation's long-term financial plan. Dividends are distributed at no less than 40% of profits after tax. Dividends are paid in the form of cash or shares. The Corporation's policy is that cash dividends should be at least 20% of total dividends.

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

The appropriations of earnings for 2025 and 2024 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	2025	2024	2025	2024
Legal reserve	$ 307,740	$ 411,074		
Cash dividends	1,993,033	2,325,206	$ 3.6	$ 4.2

The above 2025 and 2024 appropriations for cash dividends were resolved by the Corporation's board of directors in March 2026 and March 2025, respectively. The other proposed appropriations for 2024 were resolved by the shareholders in their meeting in May 2025. The other proposed appropriations for 2025 will be resolved by the shareholders in their meeting to be held in May 2026.

Information on the appropriations of earnings proposed and resolved by the Corporation's board of directors and resolved in the shareholders' meetings is available on the Market Observation Post System website of the Taiwan Stock Exchange.

d. Other equity items

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

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	$ (389,696)	$ (290,326)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations	24,443	13,198
Share from associates and joint ventures accounted for using the equity method	284,225	170,384
Other comprehensive income recognized for the period	308,668	183,582
Balance on March 31	$ (81,028)	$ (106,744)

2) Unrealized valuation gain on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	$ 287,093	$ 177,689
Recognized for the period		
Unrealized gain - equity instruments	31,536	16,656
Share from associates accounted for using the equity method	(7,848)	24,894
Other comprehensive income recognized for the period	23,688	41,550
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal by associates	(56,063)	(4,307)
Balance on March 31	$ 254,718	$ 214,932

3) Gain (loss) on hedging instruments

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	$ 13,726	$ (2,553)
Recognized for the period		
Gain (loss) on changes in the fair value of hedging instruments		
Foreign currency risk - spot rate	18,594	6,734
Foreign currency risk - foreign exchange forward contracts	(10,649)	16
Share from joint ventures accounted for using the equity method	(126)	-
Other comprehensive income recognized for the period	7,819	6,750
Transferred to initial carrying amount of hedged items	(19,505)	(3,578)
Balance on March 31	$ 2,040	$ 619

e. Non-controlling interests

	For the Three Months Ended March 31	
	2026	2025
Balance on January 1	$ 3,863,905	$ 3,828,573
Attributable to non-controlling interests:		
Share of profit for the period	(23,376)	41,785
Other comprehensive income recognized for the period		
Exchange differences on translating the financial statements of foreign operations	29,254	15,611
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	43,787	32,613
Other comprehensive income recognized for the period	73,041	48,224
Balance on March 31	$ 3,913,570	$ 3,918,582

23. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from contracts with customers		
Revenue from the sale of goods		
Revenue from the sale of vehicles	$ 7,666,897	$ 6,239,312
Revenue from the sale of components	1,408,612	1,343,677
	9,075,509	7,582,989
Service revenue	291,545	318,981
Other revenue	48,991	47,884
	$ 9,416,045	$ 7,949,854

Contract Balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes and accounts receivable (Note 12)	$ 983,514	$ 1,167,392	$ 1,170,534	$ 1,123,556
Trade receivables from related parties (Note 29)	$ 1,860,412	$ 1,453,132	$ 1,458,707	$ 1,169,689
Contract assets (included in other current assets)	$ 9,857	$ 15,648	$ -	$ -
Contract liabilities (included in other current liabilities)	$ 146,386	$ 117,000	$ 368,609	$ 214,119

The changes in the balance of contract liabilities primarily result from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payments.

24. NET PROFIT

Net profit from continuing operations are concluded as follows:

a. Finance costs

Information on capitalized interest is as follows:

	For the Three Months Ended March 31	
	2026	2025
Capitalized interest amount	$ 2,096	$ 6,803
Capitalization rate	1.48%	1.87%

b. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
An analysis of depreciation by function		
Operating costs	$ 180,743	$ 147,696
Operating expenses	60,407	50,942
	$ 241,150	$ 198,638
An analysis of amortization by function		
Operating costs	$ 1,237	$ 1,086
Operating expenses	15,764	20,599
	$ 17,001	$ 21,685
An analysis of amortization in intangible assets by function		
Research and development expenses	$ 40,135	$ 32,362

c. Rental income and operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2026	2025
Rental income from investment properties	$ 17,808	$ 16,122
Direct operating expenses from investment properties generating rental income	$ 5,961	$ 5,122

d. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Post-employment benefits		
Defined contribution plans	$ 26,548	$ 26,576
Defined benefit plans	1,867	1,884
	28,415	28,460
Short-term benefits	829,118	775,938
	$ 857,533	$ 804,398
An analysis of employee benefits expenses by function		
Operating costs	$ 426,980	$ 397,651
Operating expenses	430,553	406,747
	$ 857,533	$ 804,398

e. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of the Corporation, the Corporation accrued compensation of employees and remuneration of directors at rates of no less than 0.1% and no higher than 0.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 0.1% of net profit before income tax for employee compensation, of which no less than 0.05% as compensation distributions for non-executive employees.

The compensation of employees (including non-executive employees) and the remuneration of directors for the three months ended March 31, 2026 and 2025 are as follows:

Amount

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	$ 3,635	$ 6,507
Remuneration of directors	$ 3,335	$ 2,839

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

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were resolved by the Corporation's board of directors in March 2026 and 2025, are as follows:

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	$ 29,025	$ 40,142
Remuneration of directors	14,486	20,618

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2025 and 2024.

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

25. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	$ 211,233	$ 24,582
Tax refunds for overseas funds	(38,230)	-
Adjustments for the prior years	(2,716)	-
	170,287	24,582
Deferred tax		
In respect of the current period	(17,538)	38,655
Adjustments for the prior years	-	(15,250)
	(17,538)	23,405
Income tax expense recognized in profit or loss	$ 152,749	$ 47,987

The corporate tax rate applicable to subsidiaries in China is 25%. Tax rates applicable to other entities of the Group operating in other jurisdictions are based on the tax laws in those jurisdictions.

b. Income tax recognized in other comprehensive loss

	For the Three Months Ended March 31	
	2026	2025
Deferred tax		
In respect of the current period		

Cash flow hedges	$ (1,274)	$ (1,125)

c. Income tax assessments

The income tax returns of the Corporation through 2023 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2026	**2025**
Basic earnings per share	$ 1.18	$ 1.15
Diluted earnings per share	$ 1.18	$ 1.15

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2026	**2025**
Net profit attributable to owners of the Corporation	$ 642,993	$ 629,397

Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)

	For the Three Months Ended March 31	
	2026	**2025**
Weighted average number of ordinary shares used in the computation of basic earnings per share		
Weighted average number of ordinary shares	553,620	553,620
Adjustment for shares held by associates	(7,910)	(7,910)
	545,710	545,710
Effect of potentially dilutive ordinary shares		
Compensation of employees	471	474
Weight average number of ordinary shares used in the computation of diluted earnings per share	546,181	546,184

When calculating earnings per share (EPS), the Corporation considers the shares held by associates as the treasury shares to reduce the outstanding shares.

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

27. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged in the future.

28. FINANCIAL INSTRUMENTS

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

The Group's management believes the carrying amounts of financial assets and financial liabilities that are not measured at fair value recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

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

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Mutual funds	$ 74,272	$ -	$ -	$ 74,272
Domestic unlisted shares	-	-	589,025	589,025
	$ 74,272	$ -	$ 589,025	$ 663,297
Financial assets at FVTOCI				
Domestic listed shares	$ 863	$ -	$ -	$ 863
Domestic unlisted shares	-	-	26,389	26,389
Foreign unlisted shares	-	-	434,484	434,484
	$ 863	$ -	$ 460,873	$ 461,736
Financial assets for hedging				
Non-derivative financial instruments	$ 86,199	$ -	$ -	$ 86,199
Derivative financial instruments	-	-	3,766	3,766
	$ 86,199	$ -	$ 3,766	$ 89,965
Financial liabilities				
Financial liabilities at FVTPL				
Derivative financial instruments (included in other current liabilities)	$ -	$ -	$ 29	$ 29
Financial liabilities for hedging				
Derivative financial instruments (included in other current liabilities)	$ -	$ -	$ 1,641	$ 1,641

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Mutual funds	$ 62,125	$ -	$ -	$ 62,125
Domestic unlisted shares	-	-	591,186	591,186
Derivative financial instruments	-	-	580	580
	$ 62,125	$ -	$ 591,766	$ 653,891
Financial assets at FVTOCI				
Domestic listed shares	$ 851	$ -	$ -	$ 851
Domestic unlisted shares	-	-	26,162	26,162
Foreign unlisted shares	-	-	403,187	403,187
	$ 851	$ -	$ 429,349	$ 430,200
Financial assets for hedging				
Non-derivative financial instruments	$ 517,879	$ -	$ -	$ 517,879
Derivative financial instruments	-	-	22,480	22,480
	$ 517,879	$ -	$ 22,480	$ 540,359
Financial liabilities				
Financial liabilities at FVTPL				
Derivative financial instruments (included in other current liabilities)	$ -	$ -	$ 90	$ 90
Financial liabilities for hedging				
Derivative financial instruments (included in other current liabilities)	$ -	$ -	$ 6,331	$ 6,331

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Mutual funds	$ 134,187	$ -	$ -	$ 134,187
Domestic unlisted shares	-	-	562,082	562,082
	$ 134,187	$ -	$ 562,082	$ 696,269

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Domestic listed shares	$ 843	$ -	$ -	$ 843
Domestic unlisted shares	-	-	27,026	27,026
Foreign unlisted shares	-	-	304,198	304,198
	$ 843	$ -	$ 331,224	$ 332,067
Financial assets for hedging				
Non-derivative financial instruments	$ 640,184	$ -	$ -	$ 640,184

(Concluded)

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

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

For the three months ended March 31, 2026

Financial Assets	Equity Instruments at FVTPL	Derivative Financial Instruments at FVTPL	Equity Instruments at FVTOCI	Derivative Financial Instruments for Hedging	Total
Balance on January 1	$ 591,186	$ 580	$ 429,349	$ 22,480	$1,043,595
Recognized in profit or loss	(2,161)	(580)	-	-	(2,741)
Recognized in other comprehensive income (loss)	-	-	31,524	(18,714)	12,810
Balance on March 31	$ 589,025	$ -	$ 460,873	$ 3,766	$1,053,664

Financial Liabilities	Derivative Financial Instruments at FVTPL	Derivative Financial Instruments for Hedging	Total
Balance on January 1	$ 90	$ 6,331	$ 6,421
Recognized in profit or loss	(61)	-	(61)
Recognized in other comprehensive income	-	(4,690)	(4,690)
Balance on March 31	$ 29	$ 1,641	$ 1,670

For the three months ended March 31, 2025

Financial Assets	Equity Instruments at FVTPL	Derivative Financial Instruments at FVTPL	Equity Instruments at FVTOCI	Derivative Financial Instruments for Hedging	Total
Balance on January 1	$ 561,417	$ 3	$ 314,484	$ 23	$ 875,927
Recognized in profit or loss	665	(3)	-	-	662
Recognized in other comprehensive income	-	-	16,740	(23)	16,717
Balance on March 31	$ 562,082	$ -	$ 331,224	$ -	$ 893,306

(Continued)

Financial Liabilities	Derivative Financial Instruments at FVTPL	Derivative Financial Instruments for Hedging	Total
Balance on January 1	$ 178	$ 47	$ 225
Recognized in profit or loss	(178)	-	(178)
Recognized in other comprehensive income	-	(47)	(47)
Balance on March 31	$ -	$ -	$ -

(Concluded)

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

a) Derivative financial instruments: The fair values of foreign exchange forward contracts of future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

b) Domestic unlisted securities to which the market approach was applied: The fair values of domestic unlisted shares were determined with reference to the share prices of listed companies with similar businesses as the Corporation. The material unobservable inputs were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Operating income ratio	0.41-6.43 times	0.56-6.43 times	0.31-3.77 times
P/B ratio	0.64-5.15 times	0.56-4.81 times	0.27-3.96 times
Discount rate for lack of marketability	32.28%	32.28%	32.28%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair values of the shares would have increased (decreased) as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Operating income ratio			
0.1 time increase	$ 221,943	$ 271,984	$ 213,947
0.1 time decrease	$ (221,943)	$ (271,984)	$ (213,947)
P/B ratio			
0.1 time increase	$ 98,867	$ 96,132	$ 79,387
0.1 time decrease	$ (98,867)	$ (96,132)	$ (79,387)

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ 663,297	$ 653,891	$ 696,269
Financial assets for hedging	89,965	540,359	640,184
Financial assets at amortized cost (Note 1)	7,480,531	6,675,645	7,894,689
Financial assets at FVTOCI	461,736	430,200	332,067
Financial liabilities			
Amortized cost (Note 2)	9,216,119	10,048,518	9,694,845
FVTPL (included in other current liabilities)			
Held for trading	29	90	-
Financial liabilities for hedging (included in other current liabilities)	1,641	6,331	-

Note 1: The balances include financial assets measured at amortized cost which comprised cash and cash equivalents, notes and accounts receivable (related parties included), other receivables and guarantee deposits (included in other non-current assets).

Note 2: The balances included financial liabilities measured at amortized cost which comprise short-term borrowings, short-term bills payable, notes and accounts payable (related parties included), other payables and deposits received (included in other non-current liabilities).

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, accounts receivable, accounts payable, borrowings and lease liabilities. Financial risks include market risk, credit risk, and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price risk.

a) Foreign currency risk

Holding foreign currency-denominated assets and liabilities exposes the Group to adverse fluctuations of cash flows and the reduction of foreign currency assets due to the changes in foreign currency rate. The Group avoids cash flow risk resulting from the changes in adverse foreign currency rate by using derivative contracts.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar (USD), Japanese Yen (JPY) and Renminbi (RMB).

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

	USD to NTD	
	For the Three Months Ended March 31	
	2026	2025
Profit or loss	$ (659)	$ (7,774)

	JPY to NTD	
	For the Three Months Ended March 31	
	2026	2025
Profit or loss	$ (1,047)	$ 89
Equity	$ (9,020)	$ (217)

	RMB to NTD	
	For the Three Months Ended March 31	
	2026	2025
Profit or loss	$ (9,980)	$ (2,651)
Equity	$ -	$ (6,185)

b) Interest rate risk

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

	March 31, 2026	December 31, 2025	March 31, 2025
Cash flow interest rate risk			
Financial assets	$ 4,663,738	$ 4,478,685	$ 5,800,125
Financial liabilities	4,403,554	4,309,990	4,053,959
Fair value interest rate risk			
Lease liabilities	313,632	329,316	140,542

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. The sensitivity rate of 0.25% is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $163 thousand and $1,091 thousand, respectively.

The Group's sensitivity to interest rates decreased during the current period mainly due to the increase in variable rate liability instruments.

c) Other price risk

The Group was exposed to equity price risk on its investments in listed securities and mutual funds.

Sensitivity analysis

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

If equity prices had been 5% higher/lower, pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $3,714 thousand and $6,709 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increased/decreased by $43 thousand and $42 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

The amounts of financial assets will be potentially impacted if the counterparties of the Group or third parties fail to perform their obligations in financial instrument contracts. The impact includes the concentrated degrees, composition parts and contracts amounts of the financial instruments and other receivables. The Group believes credit risk is low because the counterparties are creditworthy banks, brokers and dealers.

3) Liquidity risk

The Group has sufficient operating capital to meet cash requirements for settlement of derivative transactions. Thus, liquidity risk is low. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized unsecured and secured financing facilities (including bills and letters) of $22,502,074 thousand, $13,386,434 thousand and $12,988,013 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

To the extent that interest flows are at fixed rates, the undiscounted amount was derived from the interest rate curve at the end of the period.

March 31, 2026

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	Over 5 Years
Fixed interest rate liabilities	$ 4,409,600	$ -	$ -	$ -	$ -

December 31, 2025

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	Over 5 Years
Fixed interest rate liabilities	$ 3,316,993	$ 1,002,833	$ -	$ -	$ -

March 31, 2025

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	Over 5 Years
Fixed interest rate liabilities	$ 2,507,106	$ 1,554,535	$ -	$ -	$ -

29. TRANSACTIONS WITH RELATED PARTIES

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

a. Names and categories of related parties

Related Party Name	Related Party Category
Mitsubishi Motors Corporation (Mitsubishi Motors Corp.)	Investor that has significant influence over the Group
Tai Yuen Textile Co., Ltd.	Investor that has significant influence over the Group
Le Wen Investment Co., Ltd.	Investor that has significant influence over the Group
Yulon Management Company Ltd. (Yulon Management)	Subsidiary of investor that has significant influence over the Group
Mitsubishi Motors Philippines Corporation	Subsidiary of investor that has significant influence over the Group
Mitsubishi Motors Vietnam	Subsidiary of investor that has significant influence over the Group
Shye Shyang Mechanical Industrial Co., Ltd.	The Group is its key management personnel
Uni-Calsonic Corp.	Associate
Yulon Motor Co., Ltd.	Associate
Fortune Motors Co., Ltd. (Fortune Motors)	Associate
ROC Spicer Ltd. (ROC-Spicer)	Associate
Uni Auto Parts Manufacture Co., Ltd. (Uni Auto Parts Manufacture)	Associate
Shung Ye Motor Co., Ltd. (Shung Ye Motor)	Associate
Yulon IT Solutions Inc.	Associate
Sinjang Co., Ltd.	Associate
Tokio Marine Newa Insurance Co., Ltd.	Associate
Hsiang Shuo Enterprises	Associate
Sinqual Technology Co., Ltd.	Associate (dissolved on April 28, 2025)
Taiwan Acceptance Corporation	Associate
Yue Sheng Industrial Co., Ltd.	Associate
Yulon Nissan Motor Co., Ltd.	Associate
Luxgen Motor Co., Ltd.	Associate
Fujian TaiAsia Automobile Industry Co., Ltd.	Associate
Yue Ki Industrial Co., Ltd. (Yue Ki Industrial)	Associate
Ching-Tong Motor Co., Ltd.	Associate
Carplus Auto Leasing Corporation	Associate
Yulon Construction Co., Ltd.	Associate
Yuea Ching Business Co., Ltd.	Associate
Yuee Pong Business Co., Ltd.	Associate

(Continued)

Related Party Name	Related Party Category
Y-Teks Co., Ltd.	Associate
Fortune HS Leasing Co., Ltd.	Associate
Yufong Property Management Co., Ltd.	Associate (dissolved on June 11, 2025)
Fu-Lun Motors Co., Ltd.	Associate
Shung Yi Motor Co., Ltd. (Shung Yi Motor)	Associate
Feng Jan Motor Co., Ltd.	Associate
Hangzhou Haitec Company (Hangzhou Haitec)	Associate
YES Charging Service Co., Ltd	Associate
Chuang Jie New Energy Vehicle (HZ) Limited	Associate
H.K. Manpower Service Co., Ltd.	Associate
Fujian Benz Automotive Co., Ltd.	Joint venture
Fuzhou Fushiang Motor Industrial Co., Ltd.	Joint venture
Xiamen King-Long Kian-Shen Frame	Joint venture
Guangzhou NTN-Yulon Drivertrain Co., Ltd.	Joint venture
China Engine (Fujian)	Joint venture
Xiangyang NTN-Yulon Drivertrain Co., Ltd.	Joint venture
Yen Tjing Ling Industrial Development Foundation	Substantive related party
Yuanchuang Industrial Investment Consulting Co., Ltd.	Substantive related party

(Concluded)

b. Operating transactions

1) Sales of goods

		For the Three Months Ended March 31	
Line Item	Related Party Category/Name	2026	2025
Sales	Associates		
	Fortune Motors	$ 5,312,272	$ 4,735,481
	Shung Ye Motor	1,079,291	836,851
	Others	847,475	554,846
		7,239,038	6,127,178
	Investors and subsidiaries of the investors that have significant influence over the Group	32,759	18,304
	Others	2,722	3,479
		$ 7,274,519	$ 6,148,961

2) Purchases of goods

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Purchases	Investors that have significant influence over the Group	$ 1,112,433	$ 102,763
	Associates	725,802	613,629
	The Group is its key management personnel	64,468	75,411
		$ 1,902,703	$ 791,803

3) Technical services expense

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Cost of goods sold and selling and marketing expenses	Investors that have significant influence over the Group	$ 37,781	$ 27,427

The Group signed a contract with Mitsubishi Motors Corp., refer to Note 31 for the details.

4) Operating expenses

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Selling and marketing expenses, general and administrative expenses and research and development expenses	Subsidiaries of investors that have significant influence over the Group	$ 36,275	$ 48,098
	Associates	27,991	23,427
	Others	426	413
		$ 64,692	$ 71,938

5) Contract liabilities

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Other current liabilities	Associates	$ 247	$ -	$ 764

6) Receivables from related parties

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Trade receivables from related parties	Associates			
	Fortune Motors	$ 1,338,159	$ 989,385	$ 1,047,270
	Shung Ye Motor	279,326	157,584	175,410
	Shung Yi Motor Co., Ltd. (Shung Yi)	127,470	154,472	117,772
	Others	106,345	144,144	106,570
		1,851,300	1,445,585	1,447,022
	Investors and subsidiaries of investors that have significant influence over the Group	6,978	5,454	10,010
	Others	2,134	2,093	1,675
		$ 1,860,412	$ 1,453,132	$ 1,458,707

7) Payables to related parties

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Trade payables to related parties	Associates			
	Uni Auto Parts Manufacture	$ 123,704	$ 58,924	$ 216,583
	Yue Ki Industrial	107,795	90,747	79,437
	ROC-Spicer	74,582	83,594	93,839
	Yulon Motor Co., Ltd.	63,991	32,946	31,957
	Fortune Motors	34,046	38,343	53,192
	Others	67,579	91,216	112,864
		471,697	395,770	587,872
	Investors and subsidiaries of investors that have significant influence over the Group			
	Yulon Management	53,083	155,246	58,749
	Others	45,622	43,141	39,224
		98,705	198,387	97,973
	The Group is its key management personnel	44,334	57,005	53,022
	Others	2,918	2,871	2,898
		$ 617,654	$ 654,033	$ 741,765

8) Prepayments

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Prepayments	Investors that have significant influence over the Group	$ 19,906	$ 53,122	$ 24,268
	Others	5,464	9,556	960
		$ 25,370	$ 62,678	$ 25,228

9) Acquisition of property, plant and equipment

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Property, plant and equipment	Investors that have significant influence over the Company	$ 77,181	$ -
	The Group is its key management personnel	15,600	-
	Associates	3,828	5,502
		$ 96,609	$ 5,502

10) Lease arrangements

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Acquisition of right-of-use assets	Associates		
	Carplus Auto Leasing Corporation (Carplus)	$ 485	$ 2,114

Line Item	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Lease liabilities	Associates	$ 1,027	$ 1,896	$ 694

Line Item	Related Party Category/Name	For the Three Months Ended March 31 2026	For the Three Months Ended March 31 2025
Interest expense	Associates	$ 11	$ 10

The Group leased right-of-use of cabinet and official vehicles from its associates during the three months ended March 31, 2026 and 2025. The lease terms of the contracts were 1 to 3 years. The rental rate is based on the market rental rate of similar assets, and fixed lease payments were made on a monthly basis.

11) Acquisition of other assets

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2026	2025
Intangible assets under development	Investors that have significant influence over the Group Mitsubishi Motors Corp.	$ 30,045	$ 26,664

The outstanding payables to related parties were not guaranteed and would be paid in cash. The Group received from some related parties were guaranteed. For the three months ended March 31, 2026 and 2025, no loss allowance was recognized for trade receivables from related parties.

The prices and payment terms for the Group's transactions with related parties are the same as that for third parties. For lease contracts entered into with related parties, rental prices were determined by reference to the market, and had general payment terms.

c. Remuneration of key management personnel

The remuneration of directors and key executives for the three months ended March 31, 2026 and 2025 was as follows:

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	$ 20,918	$ 20,765
Post-employment benefits	229	244
	$ 21,147	$ 21,009

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

30. ASSETS PLEDGED AS COLLATERAL

The following assets were provided as collateral for borrowings, tariff from importing vehicle and materials, escrows and government tenders:

	March 31, 2026	December 31, 2025	March 31, 2025
Investment properties	$ 569,862	$ 571,848	$ 577,804
Pledged deposits (Note 9)	260,237	260,237	270,621
Property, plant and equipment	51,036	51,406	52,272
	$ 881,135	$ 883,491	$ 900,697

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Group as of March 31, 2026 were as follows:

a. The Group issued guarantee notes of $18,528,308 thousand, which were pledged as collateral for loans from banks and other financial institutions and government grants; unused letters of credit amounted to $7,879 thousand; performance bonds issued by banks amounted to $35,000 thousand.

b. The Group entered into agreements with Mitsubishi Motors Corp. and SAIC Motor International Co., Ltd. (SAIC) as stated below:

Project	Content	Date of Agreement/ Expiry Date	Agreement Price	Payment
Technical royalty	Vehicles produced in technical cooperation with MMC	2005.7.1-2034.10.28	Royalty was agreed to be the fixed amount of automobiles sold per unit and the basis of the FOB price of manufactured parts repaired	Paid every 6 months within 60-90 days
License fee	Vehicles produced in technical cooperation with SAIC	2022.2.15-2032.2.14	Deducting the FOB price of the parts supplied by SAIC from the factory price of the vehicles sold, with a 5% payment.	Paid every year within 90-120 days

c. According to Rule No. 1090261416 issued by the Land Administration Department of the Taoyuan City Government on October 19, 2020, the Group's land in Dayuan which was recognized under property, plant and equipment is within the scope of the "Taoyuan Aerotropolis Urban Plan First Stage in Expropriated Zone". The land will be expropriated, and the Group will obtain approval offset land compensation. The related compensation and relief fund the Group received as a result of the aforementioned land expropriation case since September 2021. As of March 31, 2026, the Group has not completed the land allocation procedures with the Taoyuan City Government. As a result, the related compensation and relief payments should be recognized in advance receipts amounted to $494,461 thousand (included in other current liabilities) as of March 31, 2026, December 31, 2025 and March 31, 2025.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

March 31, 2026

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
RMB	$ 247,387	4.629	$ 1,145,153
JPY	868,852	0.2005	174,205
Non-monetary items			
Investments accounted for using the equity method			
RMB	655,318	4.629	3,033,468
EUR	91,436	36.71	3,356,601
Financial assets at FVTOCI			
RMB	86,149	4.629	398,782

(Continued)

Foreign currency liabilities			
Monetary items			
RMB	31,783	4.629	147,123
			(Concluded)

December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
RMB	$ 91,244	4.496	$ 410,231
USD	5,923	31.43	186,162
JPY	2,406,086	0.2008	483,142
Non-monetary items			
Investments accounted for using the equity method			
RMB	792,074	4.496	3,561,165
EUR	89,222	36.90	3,292,299
Financial assets at FVTOCI			
RMB	82,397	4.496	370,456
Foreign currency liabilities			
Monetary items			
RMB	35,048	4.496	157,575

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
Monetary items			
RMB	$ 231,924	4.573	$ 1,060,587
USD	24,813	33.205	823,902
Non-monetary items			
Investments accounted for using the equity method			
RMB	777,708	4.573	3,556,458
EUR	102,298	35.97	3,679,667
Financial assets at FVTOCI			
RMB	51,494	4.573	235,480
Foreign currency liabilities			
Monetary items			
RMB	38,689	4.573	176,925

For the three months ended March 31, 2026 and 2025, net foreign exchange gain were $871 thousand and $29,638 thousand, respectively. It is impractical to disclose net foreign exchange gain (loss) by each significant foreign currency due to the variety of the foreign currency transactions.

33. SEPARATELY DISCLOSED ITEMS

Except for those listed in Notes 7, 11 and 28, and Tables 1 to 8, there were no other separately disclosed items.

34. SEGMENT INFORMATION

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

The following was an analysis of the Group's revenue and results by reportable segment:

	Segment Revenues For the Three Months Ended March 31		Segment Income or Loss For the Three Months Ended March 31	
	2026	2025	2026	2025
Vehicle manufacturing	$ 9,085,874	$ 7,488,596	$ 834,631	$ 740,038
Channel	418,767	566,035	42,366	21,956
Others	10,574	10,874	(2,876)	(2,665)
Adjustments and eliminations	(99,170)	(115,651)	65	(37)
	$ 9,416,045	$ 7,949,854	874,186	759,292
Administration cost and remunerations of directors			(95,648)	(86,876)
Other non-operating income and expenses, net			(6,172)	46,753
Profit before income tax			$ 772,366	$ 719,169

Intersegment transactions were accounted for according to market prices.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and remunerations to directors, interest income, other income, net foreign exchange gain, gain on financial instruments at fair value through profit or loss, interest expense, other expense and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

CHINA MOTOR CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
1	Sino Diamond Motors (Note 2)	Ling Wei	Other receivables	Yes	$ 50,000	$ 50,000	$ 40,000	2.09	Short-term financing	$ -	Working capital	$ -	Promissory note	$ 50,000	$ 531,101	$ 531,101

Note 1: The amount is 40% of the total shareholders' equity of the latest financial statements of Sino Diamond Motors.

Note 2: Eliminated during the preparation of the consolidated financial statements.

TABLE 2

CHINA MOTOR CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name/Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
China Motor Corporation	Shares							
	Shye Shyang Mechanical Industrial	Corporate director	Financial assets at FVTPL - non-current	9,009	$ 589,025	10.53	$ 589,025	
	Taiwan Aerospace	-	Financial assets at FVTOCI - non-current	811	16,954	0.60	16,954	
	NORM Pacific Automation Corp.	-	Financial assets at FVTOCI - non-current	128	1,917	0.45	1,917	
	Carnival	-	Financial assets at FVTOCI - non-current	95	863	0.05	863	
	Com2B (Cayman) Corp.	-	Financial assets at FVTOCI - non-current	2,000	-	4.44	-	
Kian Shen	Beneficiary certificates							
	Taishin Mass Money Market FundTaiwan Money Market Fund	-	Financial assets at FVTPL - current	3,326	50,237	-	50,237	
	FSITC Taiwan Money Market Fund	-	Financial assets at FVTPL - current	1,230	20,012	-	20,012	
Ling Wei	Beneficiary certificates							
	Prudential Financial Money Market Fund	-	Financial assets at FVTPL - current	240	4,023	-	4,023	
Alliance Investment & Management	Shares							
	T-Car Inc.	-	Financial assets at FVTOCI - non-current	1,275	33,637	4.05	33,637	
	Site information service	-	Financial assets at FVTOCI - non-current	65	4,176	0.54	4,176	
	Solidlite Corporation	-	Financial assets at FVTOCI - non-current	789	2,784	3.60	2,784	
	Advancision Corporation	-	Financial assets at FVTOCI - non-current	6,327	2,065	15.07	2,065	
	Phalanx Biotech Group	-	Financial assets at FVTOCI - non-current	216	558	0.30	558	
Hwa Wei	Shares							
	South East (Fujian) Motor	-	Financial assets at FVTOCI - non-current	46,108	398,782	1.66	398,782	
Sino Diamond Motors	Convertible preference shares							
	Looplus Service	Subsidiary	Financial assets at FVTPL - non-current	2,753	41,300	-	41,300	Note 2

Note 1: Refer to Tables 5 and 6 for the information of investments in subsidiaries and associates.

Note 2: Eliminated during the preparation of the consolidated financial statements.

CHINA MOTOR CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Seller/Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total (Note 1)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total (Note 1)	
China Motor Corporation	Fortune Motors	Investee accounted for using the equity method	Sale	$ (5,113,033)	(58)	Payment collected 15-90 days after the goods have been delivered	$ -	-	$ 1,269,057	51	
	MG Motor (Note 2)	Subsidiary	Sale	(1,530,186)	(17)	Payment collected 13-30 days after the goods have been delivered	-	-	352,326	14	
	Shung Ye Motor	Investee accounted for using the equity method	Sale	(1,009,554)	(11)	Payment collected 15-75 days after the goods have been delivered	-	-	255,245	10	
	Feng Jan Motor	Associate	Sale	(263,876)	(3)	Payment collected 3-18 days after the goods have been delivered	-	-	69,348	3	
	Mitsubishi Japan	Corporate director	Purchase	1,108,479	20	Payment made 7 business days after the goods are shipped	-	-	(39,682)	(1)	
	Yulon	Investee accounted for using the equity method	Purchase	214,828	4	Payment made 7-14 days after the goods have been delivered	-	-	(40,778)	(1)	
	Uni Auto Parts Manufacture	Investee accounted for using the equity method	Purchase	178,303	3	Payment made within 45 days after the month of delivery	-	-	(123,704)	(4)	
	ROC-Spicer	Investee accounted for using the equity method	Purchase	111,616	2	Payment made within 45 days after the month of delivery	-	-	(74,582)	(3)	
	Kian Shen (Note 2)	Subsidiary	Purchase	102,746	2	Payment made within 45 days after the month of delivery	-	-	(68,151)	(2)	
MG Motor	Shung Yi Motor	Associate	Sale	(475,971)	(33)	Payment collected 16 days after the invoice date	-	-	117,223	39	
	China Motor Corporation (Note 2)	Parent company	Purchase	1,530,186	98	Payment made 13-30 days after the goods have been delivered	-	-	(352,326)	(98)	
Kian Shen	China Motor Corporation (Note 2)	Parent company	Sale	(102,746)	(36)	Payment collected within 45 days after the month of delivery	-	-	68,151	31	
Sino Diamond Motors	Fortune Motors	Investee accounted for using the equity method	Sale	(199,239)	(62)	Payment collected 15-45 days after the goods have been delivered	-	-	69,103	43	

Note 1: The proportion of the individual company's total purchases (sales) or total receivables (payables).

Note 2: Eliminated during the preparation of the consolidated financial statements.

CHINA MOTOR CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
China Motor Corporation	Fortune Motors	Investee accounted for using the equity method	$1,269,057	18.94	$ -	-	$1,269,057	$ -
	MG Motor	Subsidiary	352,326	24.14	-	-	352,326	-
	Shung Ye Motor	Investee accounted for using the equity method	255,245	19.88	-	-	255,245	-
MG Motor	Shung Yi Motor	Associate	117,223	14.53	-	-	117,223	-

CHINA MOTOR CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
China Motor Corporation	Yulon (Note 3)	Miaoli, Taiwan	Manufacture and sale of vehicles	$ 4,153,009	$ 4,153,009	171,382,445	16.13	$ 9,716,019	$ 363,664	$ 51,249	Investee accounted for using the equity method
	Kian Shen (Note 4)	Taoyuan, Taiwan	The production of frame of heavy duty car and mold	344,800	344,800	32,201,367	43.87	2,478,309	(59,860)	(26,202)	Subsidiary
	Fortune Motors	Taipei, Taiwan	Sales and providing of after-sales service of vehicle	2,132,826	2,132,826	132,116,729	41.93	5,444,798	273,821	114,813	Investee accounted for using the equity method
	Sino Diamond Motors (Note 4)	Taipei, Taiwan	Sales and providing of after-sales service of vehicle	1,594,724	1,594,724	91,267,030	100.00	1,345,446	93,263	93,890	Subsidiary
	Tokio Marine Newa Insurance (Note 1)	Taipei, Taiwan	Property insurance	10,002,447	10,002,447	288,504,465	24.04	2,814,084	652,342	156,823	Investee accounted for using the equity method
	Alliance Investment & Management (Note 4)	Taipei, Taiwan	Investment	-	-	41,515,610	100.00	58,801	97	97	Subsidiary
	Mercedes-Benz Vans Hong Kong Ltd.	Hong Kong	Investment	2,011,363	2,011,363	46,565,750	32.45	3,356,601	(97,062)	(31,496)	Investee accounted for using the equity method
	ROC-Spicer	Taoyuan, Taiwan	Manufacture and sales of automobile parts	683,032	683,032	147,990	29.60	621,103	24,924	7,437	Investee accounted for using the equity method
	CMI (Note 4)	Samoa	Investment	1,402	1,402	40,000	100.00	304,832	104	104	Subsidiary
	COC (Note 4)	Taoyuan, Taiwan	The production of mold, fixture and gauge of vehicle	412,125	412,125	33,564,678	49.76	920,782	23,562	11,908	Subsidiary
	Hwa Wei (Note 4)	British Virgin Islands	Overseas investment on production and service industries	1,202	1,202	40,000	40.00	201,509	75	30	Subsidiary
	Uni Auto Parts Manufacture	Miaoli, Taiwan	The production of mold, fixture and gauge of vehicle	109,813	109,813	13,032,137	15.00	338,525	(15,878)	(2,299)	Investee accounted for using the equity method
	Shung Ye Motor (Note 2)	Taipei, Taiwan	Sales and providing of after-sales service of vehicle	587,791	587,791	49,332,552	39.99	217,046	(10,117)	(4,046)	Investee accounted for using the equity method
	China Engine (Note 4)	Taoyuan, Taiwan	Manufacture of automobile engine and parts	469,322	469,322	21,999,750	52.10	230,826	(703)	(366)	Subsidiary
	Uni-Calsonic	Miaoli, Taiwan	Manufacture and sale of automobile parts	105,806	105,806	6,083,525	31.20	174,015	(263)	(44)	Investee accounted for using the equity method
	Yue Ki Industrial	Hsinchu, Taiwan	Manufacture and sales of car components	109,396	109,396	2,936,222	15.08	71,370	(295)	(80)	Investee accounted for using the equity method
	Tai-Ya Investment	Hong Kong	Investment	81,005	81,005	2,288,459	29.60	99,170	18,696	5,534	Investee accounted for using the equity method
Kian Shen	Kian Shen Investment (Note 4)	British Virgin Islands	Investment	328,888	328,888	10,296,105	100.00	3,779,497	41,566	-	Subsidiary
Kian Shen Investment	KSIHK (Note 4)	Hong Kong	Investment	US$ 25,907 thousand	US$ 25,907 thousand	25,907,000	100.00	RMB 816,323 thousand	RMB 9,100 thousand	-	Subsidiary
Sino Diamond Motors	Hua-Yu (Note 4)	Samoa	Overseas investment on production and service industries	554,730	554,730	7,539,314	100.00	(38,325)	1,305	-	Subsidiary
	China Engine (Note 4)	Taoyuan, Taiwan	Manufacture of automobile engine and parts	9	9	250	-	3	(703)	-	Subsidiary
	Brilliant Insight International (Note 4)	Taoyuan, Taiwan	Consulting and service	22,000	22,000	2,200,000	100.00	13,506	(3,598)	-	Subsidiary
	Shung Ye Motor	Taipei, Taiwan	Sales and providing of after-sales service of vehicle	180	180	12,368	0.01	68	(10,117)	-	Investee accounted for using the equity method
	Fortune Motors	Taipei, Taiwan	Sales and providing of after-sales service of vehicle	24	24	1,000	-	20	273,821	-	Investee accounted for using the equity method
	Looplus Service (Note 4)	Hsinchu, Taiwan	Information software service and rental industry	34,984	34,984	2,249,000	44.98	(15,576)	(3,724)	-	Subsidiary
	Ling Wei (Note 4)	Taipei, Taiwan	Sales of second-hand vehicle	43,780	43,780	3,808,397	100.00	38,634	(1,368)	-	Subsidiary
	Greentrans (Note 4)	Taipei, Taiwan	Automatic control equipment engineering and sales of motorcycle, bicycle and parts	110,267	47,561	9,100,000	100.00	185,556	(1,525)	-	Subsidiary
	MG Motor (Note 4)	Taipei, Taiwan	Sales of vehicle	250,000	250,000	25,000,000	100.00	431,728	62,378	-	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Business and Product	Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
Hua-Yu	Hwa-Lin Investment (Note 4)	British Virgin Islands	Overseas investment on production and service industries	US$ 10,201 thousand	US$ 10,201 thousand	6,364,314	100.00	$ (119,856)	$ 31	$ -	Subsidiary
Brilliant Insight International	Looplus Service (Note 4)	Hsinchu, Taiwan	Information software service and rental industry	16	16	1,000	0.02	(7)	(3,724)	-	Subsidiary
CMI	Hwa Wei (Note 4)	British Virgin Islands	Overseas investment on production and service industries	1,428,503	1,428,503	60,000	60.00	302,264	75	-	Subsidiary
COC	Y. M. Hi-Tech (Note 4)	Taoyuan, Taiwan	Steel plate cutting	46,250	46,250	4,250,000	85.00	87,730	3,403	-	Subsidiary

Note 1: During preparation of the consolidated financial statements, loss on disposal of $22,538 thousand from intra-group transaction had been eliminated.

Note 2: During preparation of the consolidated financial statements, gain on disposal of $31 thousand from intra-group transaction had been eliminated.

Note 3: During preparation of the consolidated financial statements, sidestream transaction between subsidiary and investee accounted for using the equity method of $4,941 thousand had been eliminated.

Note 4: Eliminated during the preparation of the consolidated financial statements.

(Concluded)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026 (Note 1)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026 (Note 1)	Net Income (Loss) of the Investee (Notes 2 and 3)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Notes 2 and 3)	Carrying Amount as of March 31, 2026 (Note 1)	Accumulated Repatriation of Investment Income as of March 31, 2026 (Note 1)
					Outward	Inward						
South East (Fujian) Motor	Manufacture and sales of industrial automation products	$ 13,673,310 (US$ 138,000 thousand and RMB 2,000,000 thousand)	Indirect investment in mainland China through a company registered in a third region	$ 1,103,828 (US$ 34,500 thousand)	$ -	$ -	$ 1,103,828 (US$ 34,500 thousand)	$ -	1.66	$ -	$ 398,782	$ 832,606 (US$ 26,023 thousand)
China Engine (Fujian)	Manufacture and sales of engines and engine parts	479,925 (US$ 15,000 thousand)	Indirect investment in mainland China through a company registered in a third region	239,963 (US$ 7,500 thousand)	-	-	239,963 (US$ 7,500 thousand)	-	38.03	-	201,294	-
Fujian Benz Automotive	Sales of industrial automation products	10,535,770 (EUR 287,000 thousand)	Indirect investment in mainland China through a company registered in a third region	1,709,438 (EUR 46,566 thousand)	-	-	1,709,438 (EUR 46,566 thousand)	(193,386) (EUR 5,221 thousand)	16.23	(31,373) (EUR 847 thousand)	3,386,167 (EUR 92,241 thousand)	6,527,222 (EUR 177,805 thousand)
Guangzhou NTN-YULON Drivertrain	Sales and manufacture of vehicles' components	399,938 (US$ 12,500 thousand)	Indirect investment in mainland China through a company registered in a third region	159,975 (US$ 5,000 thousand)	-	-	159,975 (US$ 5,000 thousand)	101,880 (RMB 22,303 thousand)	17.55	40,752 (RMB 8,921 thousand)	940,536 (RMB 203,183 thousand)	2,420,050 (RMB 522,802 thousand)
Fuzhou Fushiang Motor Industrial	Sales and manufacture of vehicles' components	568,871 (US$ 17,780 thousand)	Indirect investment in mainland China through a company registered in a third region	90,706 (US$ 2,835 thousand)	-	-	90,706 (US$ 2,835 thousand)	22,132 (RMB 4,845 thousand)	15.35	7,746 (RMB 1,696 thousand)	415,723 (RMB 89,808 thousand)	350,651 (RMB 75,751 thousand)
Xiangyang NTN-YULON Drivertrain	Sales and manufacture of vehicles' components	1,087,830 (US$ 34,000 thousand)	Indirect investment in mainland China through a company registered in a third region	-	-	-	-	(26,204) (RMB 5,736 thousand)	17.55	(10,482) (RMB 2,295 thousand)	733,467 (RMB 158,451 thousand)	491,489 (RMB 106,176 thousand)
Xiamen King-Long Kian-Shen Frame	Sales and manufacture of vehicles' components	444,384 (RMB 96,000 thousand)	Indirect investment in mainland China through a company registered in a third region	48,855 (US$ 1,527 thousand)	-	-	48,855 (US$ 1,527 thousand)	346 (RMB 76 thousand)	21.94	173 (RMB 38 thousand)	280,378 (RMB 60,570 thousand)	111,559 (RMB 24,100 thousand)
Fujian Spicer	Manufacture of vehicles' key components, drive axle assembly and engine parts series products	948,047 (RMB 204,806 thousand)	Direct investment in mainland China	345,706 (US$ 10,805 thousand)	-	-	345,706 (US$ 10,805 thousand)	24,103	29.00	6,990	462,070	645,940 (RMB 139,542 thousand)
Shenyang Spicer	Manufacture and sale of automobile transmission, mechanical transmission, shafts and components	397,756 (RMB 85,927 thousand)	Indirect investment in mainland China through a company registered in a third region	85,235 (US$ 2,664 thousand)	-	-	85,235 (US$ 2,664 thousand)	30,234 (US$ 956 thousand)	20.67	6,250 (US$ 198 thousand)	99,023 (US$ 3,095 thousand)	-
Fujian Rui Hua (Note 4)	Consultation and services	54,392 (US$ 1,700 thousand)	Indirect investment in mainland China through a company registered in a third region	54,392 (US$ 1,700 thousand)	-	-	54,392 (US$ 1,700 thousand)	1,271	100.00	1,271	55,649	25,339 (RMB 5,474 thousand)

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026 (Note 1)	Investment Amount Authorized by the Investment Commission, MOEA (Note 1)	Upper Limit on the Amount of the Investment Stipulated by Investment Commission, MOEA
$4,838,581 (US$97,801 thousand and EUR46,566 thousand)	$5,972,366 (US$171,214 thousand and EUR13,467 thousand)	$22,118,348

Note 1: Converted at the exchange rates on March 31, 2026: US$1=NT$31.995, RMB1=NT$4.629, EUR1=NT$36.71.

Note 2: Converted at the average exchange rates for the three months ended March 31, 2026: US$1=NT$31.631, RMB1=NT$4.568, EUR1=NT$37.04.

Note 3: Except for Guangzhou NTN-YULON Drivertrain Co., Ltd., the investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the associate's and joint ventures' financial statements that have not been reviewed.

Note 4: Eliminated during the preparation of the consolidated financial statements.

(Concluded)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

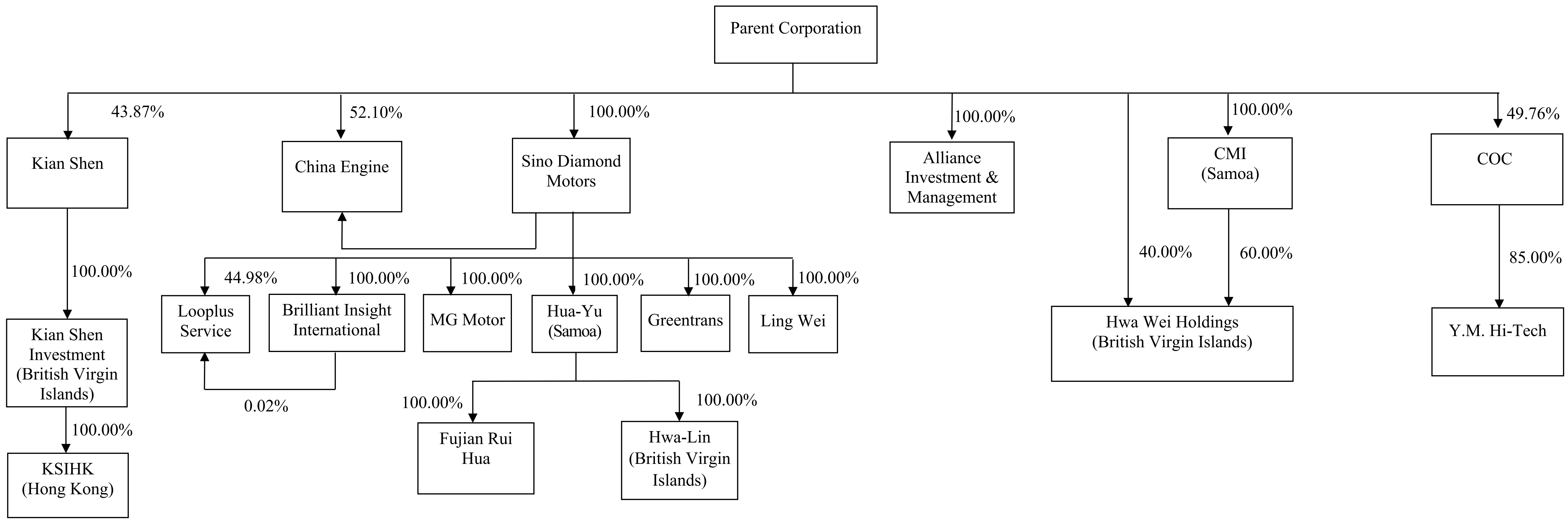
No.	Company Name	Related Party	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets
0	China Motor Corporation	MG Motor	Subsidiary	Sales revenue	$1,530,186	Transaction price was determined based on the market price, and the transaction terms are similar to that for transactions with non-related parties	16.25
				Accounts receivable	352,326	The prices and payment terms were based on agreements.	0.65
				Guarantee deposits received	100,000	The prices and payment terms were based on agreements.	0.18
				Accounts payable to related parties	299,430	The prices and payment terms were based on agreements.	0.55
		Kian Shen	Subsidiary	Cost of goods sold	102,746	Transaction price was determined based on the market price, and the transaction terms are similar to that for transactions with non-related parties	1.09

Note 1: This table includes transactions for amounts over one hundred million.

Note 2: Eliminated during the preparation of the consolidated financial statements.

CHINA MOTOR CORPORATION AND SUBSIDIARIES

FRAMEWORK OF INTERCOMPANY INVESTMENT RELATIONSHIPS AND PERCENTAGE OF SHARES HELD
MARCH 31, 2026



Note: Since Sino Diamond Motors only holds 250 shares of China Engine, the percentage of ownership is not disclosed.