

Unitech Printed Circuit Board Corporation**Parent Company Only Financial Statements****With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

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

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Independent Auditors' Report

To the Board of Directors of Unitech Printed Circuit Board Corporation:

Opinion

We have audited the financial statements of Unitech Printed Circuit Board Corporation("the Company"), which comprise the balance sheet as of December 31, 2025 and 2024, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our professional judgments, key audit matters to be communicated in the independent auditor's report are listed below:

1. Evaluation of Inventories

Please refer to note 4(g) "Inventories", note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty- Evaluation of inventories", and note 6(d) "Inventories" of the financial statements.

Description of key audit matter:

Inventories are measured by the lower cost and net realizable value accounting. Due to the rapid change of terminal product market, the clients' intention about placing and changing orders for products could be affected. Furthermore, it also resulted in a risk in which the carrying value of inventories may be higher than its net realizable value, and caused the obsolete stock. Therefore, the valuation of inventories is one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: Evaluating the rationality of the policy of making provision to inventories impairment, evaluating the assumption of allowance for inventory valuation of the authorities, and the situation of obsolescence of inventory that has happened in prior periods; confirming whether the Company has undertaken the inventory valuation based on the policy; inspecting the inventory aging report and analyzing the difference in the inventory aging in comparison to prior periods. Understanding and evaluating the management's judgment on the calculation of the net realizable value; testing the appropriateness of the inventory valuation, evaluating the management's calculations of allowance for inventory loss to ensure their appropriateness and considering the adequacy of the Company's disclosures in allowance for inventory valuation.

Other Matter

The Company's investee companies were accounted for by using the equity method based on its financial statements which were audited by other auditors. Our opinion, insofar as it relates to the Company's investee companies are based solely on the report of other auditors. As of December 31, 2025 and 2024, the total assets of investee companies which constituted 6.16% and 4.48% of the Company's total assets, respectively. For the years ended December 31, 2025 and 2024, the profit or loss of subsidiaries and affiliated companies accounted for by using the equity method which constituted 19.07% and 0.31% of the income which the Company recognized before income tax, respectively.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Horng, Shyh-Gang and Hsu, Ming-Fang.

KPMG

Taipei, Taiwan (Republic of China)
March 11, 2026

Notes to Readers

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

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(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Unitech Printed Circuit Board Corporation

Balance Sheets

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2025		December 31, 2024				December 31, 2025		December 31, 2024	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 649,527	3	855,566	4	2100	Short-term borrowings (notes 6(i) and 8)	\$ 120,000	1	-	-
1170	Accounts receivable, net (notes 6(c) and (q))	3,428,082	16	4,400,611	21	2170	Accounts payable	1,428,062	7	1,655,644	8
1180	Accounts receivable-related parties (notes 6(q) and 7)	5,233	-	9,793	-	2180	Accounts payable-related parties (note 7)	1,217,659	6	1,231,857	6
1200	Other receivables	32,820	-	29,687	-	2200	Other payables	943,699	4	1,094,472	5
1210	Other receivables-related parties (note 7)	75,485	1	663	-	2220	Other payables-related parties (note 7)	668	-	1,550	-
1220	Current tax assets	3,005	-	3,005	-	2230	Current tax liabilities	23,067	-	-	-
1310	Inventories (note 6(d))	2,405,074	11	2,064,540	10	2250	Current provisions	3,713	-	-	-
1410	Prepayments	46,808	-	53,419	-	2280	Current lease liabilities (note 6(k))	24,960	-	42,060	-
1476	Other financial assets-current	4,825	-	4,789	-	2322	Current portion of long-term borrowings (notes 6(j) and 8)	1,387,484	6	960,184	4
1479	Other current assets	10,974	-	10,909	-	2399	Other current liabilities (note 7)	13,907	-	8,451	-
Total current assets		6,661,833	31	7,432,982	35	Total current liabilities		5,163,219	24	4,994,218	23
Non-current assets:						Non-Current liabilities:					
1517	Financial assets at fair value through other comprehensive income non-current (notes 6(b) and 7)	217,522	1	295,830	2	2540	Long-term borrowings (notes 6(j) and 8)	3,554,545	16	3,135,029	15
1550	Investments accounted for using equity method, net (note 6(e))	8,614,655	39	6,400,848	30	2570	Deferred tax liabilities (note 6(m))	177,637	1	179,193	1
1600	Property, plant and equipment (notes 6(f), (s), 7 and 8)	5,947,124	27	6,584,218	31	2580	Non-current lease liabilities (note 6(k))	26,735	-	33,408	-
1755	Right-of-use assets (note 6(g))	48,900	-	72,450	-	2640	Net defined benefit liability, non-current (note 6(l))	97,030	-	157,808	1
1780	Intangible assets (note 6(h))	91,001	1	102,833	1	Total non-current liabilities		3,855,947	17	3,505,438	17
1840	Deferred tax assets (note 6(m))	215,600	1	226,787	1	Total liabilities		9,019,166	41	8,499,656	40
1915	Prepayments for business facilities	35,056	-	17,886	-	Equity (note 6(n)):					
1920	Refundable deposits (note 8)	36,645	-	36,514	-	3110	Ordinary share	7,062,532	32	7,094,072	33
1990	Other non-current assets	9,051	-	8,865	-	3200	Capital surplus	4,046,665	19	3,718,317	18
Total non-current assets		15,215,554	69	13,746,231	65	Retained earnings:					
						3310	Legal reserve	334,902	2	176,123	1
						3350	Unappropriated retained earnings	1,387,821	6	1,587,790	7
							Total retained earnings	1,722,723	8	1,763,913	8
						Other equity:					
						3410	Exchange differences on translation of foreign financial statements	254,894	1	248,050	1
						3420	Unrealized gains (losses) from financial assets at fair value through other comprehensive income	17,112	-	120,192	1
						3445	Gains (losses) on remeasurements of defined benefit	(215,792)	(1)	(264,987)	(1)
						3491	Other equity, the unearned remuneration of employees	(29,913)	-	-	-
							Total other equity	26,301	-	103,255	1
						Total equity		12,858,221	59	12,679,557	60
Total assets		\$ 21,877,387	100	21,179,213	100	Total liabilities and equity		\$ 21,877,387	100	21,179,213	100

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Unitech Printed Circuit Board Corporation
Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue, net (notes 6(q) and 7)	\$ 14,958,163	100	17,562,300	100
5110	Cost of sales (notes 6(d), (h), (k), (l), 7 and 12)	<u>13,287,395</u>	<u>89</u>	<u>14,742,562</u>	<u>84</u>
	Gross profit from operations	<u>1,670,768</u>	<u>11</u>	<u>2,819,738</u>	<u>16</u>
	Operating expenses (notes 6(c), (h), (k), (l), (o), (r), 7 and 12):				
6100	Selling expenses and administrative expenses	1,368,454	9	1,491,387	9
6300	Research and development expenses	69,744	-	61,167	-
6450	Expected credit loss (gain)	<u>(1,168)</u>	<u>-</u>	<u>11,596</u>	<u>-</u>
	Total operating expenses	<u>1,437,030</u>	<u>9</u>	<u>1,564,150</u>	<u>9</u>
	Net operating profit	<u>233,738</u>	<u>2</u>	<u>1,255,588</u>	<u>7</u>
	Non-operating income and expenses (notes (f), (k), (s) and 7):				
7100	Interest income	23,211	-	18,580	-
7010	Other income	86,033	1	71,052	-
7020	Other gains and losses, net	(60,922)	-	132,481	1
7050	Finance costs, net	(103,395)	(1)	(137,387)	(1)
7070	Share of profit of subsidiaries accounted for using equity method, net	<u>340,758</u>	<u>2</u>	<u>284,550</u>	<u>2</u>
	Total non-operating income and expenses	<u>285,685</u>	<u>2</u>	<u>369,276</u>	<u>2</u>
	Profit from continuing operations before tax	519,423	4	1,624,864	9
7950	Less: Income tax expense (note 6(m))	<u>34,973</u>	<u>-</u>	<u>37,074</u>	<u>-</u>
	Profit	<u>484,450</u>	<u>4</u>	<u>1,587,790</u>	<u>9</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(l))	49,372	-	(27,209)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(78,308)	(1)	(63,663)	-
8330	Share of other comprehensive income of subsidiaries accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	<u>(24,949)</u>	<u>-</u>	<u>5,279</u>	<u>-</u>
	Items that may not be reclassified subsequently to profit or loss	<u>(53,885)</u>	<u>(1)</u>	<u>(85,593)</u>	<u>-</u>
8360	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	<u>6,844</u>	<u>-</u>	<u>270,399</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss	<u>6,844</u>	<u>-</u>	<u>270,399</u>	<u>1</u>
8300	Other comprehensive income (after tax)	<u>(47,041)</u>	<u>(1)</u>	<u>184,806</u>	<u>1</u>
	Comprehensive income	<u>\$ 437,409</u>	<u>3</u>	<u>1,772,596</u>	<u>10</u>
	Earnings per share (NT dollars) (note 6(p))				
	Basic earnings per share	<u>\$ 0.68</u>		<u>2.36</u>	
	Diluted earnings per share	<u>\$ 0.68</u>		<u>2.36</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Unitech Printed Circuit Board Corporation

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings				Total other equity interest					
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on remeasurements of defined benefit	The unearned remuneration of employees	Treasury shares	Total equity
Balance at January 1, 2024	<u>\$ 6,694,072</u>	<u>3,035,358</u>	<u>347,938</u>	<u>(171,815)</u>	<u>(22,349)</u>	<u>178,921</u>	<u>(238,123)</u>	<u>-</u>	<u>-</u>	<u>9,824,002</u>
Profit	-	-	-	1,587,790	-	-	-	-	-	1,587,790
Other comprehensive income	-	-	-	-	270,399	(58,729)	(26,864)	-	-	184,806
Comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,587,790</u>	<u>270,399</u>	<u>(58,729)</u>	<u>(26,864)</u>	<u>-</u>	<u>-</u>	<u>1,772,596</u>
Appropriation and distribution of retained earnings:										
Legal reserve used to offset accumulated deficits	-	-	(171,815)	171,815	-	-	-	-	-	-
Other changes in capital surplus:										
Other changes in capital surplus	-	169	-	-	-	-	-	-	-	169
Capital increase by cash	400,000	637,400	-	-	-	-	-	-	-	1,037,400
Changes in equity of associates accounted for using equity method	-	25,590	-	-	-	-	-	-	-	25,590
Share-based payments	<u>-</u>	<u>19,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,800</u>
Balance at December 31, 2024	<u>7,094,072</u>	<u>3,718,317</u>	<u>176,123</u>	<u>1,587,790</u>	<u>248,050</u>	<u>120,192</u>	<u>(264,987)</u>	<u>-</u>	<u>-</u>	<u>12,679,557</u>
Profit	-	-	-	484,450	-	-	-	-	-	484,450
Other comprehensive income	-	-	-	-	6,844	(103,080)	49,195	-	-	(47,041)
Comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,450</u>	<u>6,844</u>	<u>(103,080)</u>	<u>49,195</u>	<u>-</u>	<u>-</u>	<u>437,409</u>
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	158,779	(158,779)	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	(496,585)	-	-	-	-	-	(496,585)
Other changes in capital surplus:										
Other changes in capital surplus	-	239	-	-	-	-	-	-	-	239
Changes in equity of associates accounted for using equity method	-	343,803	-	-	-	-	-	(29,913)	-	313,890
Increase in treasury share	-	-	-	-	-	-	-	-	(76,289)	(76,289)
Retirement of treasury share	(31,540)	(15,694)	-	(29,055)	-	-	-	-	76,289	-
Balance at December 31, 2025	<u><u>\$ 7,062,532</u></u>	<u><u>4,046,665</u></u>	<u><u>334,902</u></u>	<u><u>1,387,821</u></u>	<u><u>254,894</u></u>	<u><u>17,112</u></u>	<u><u>(215,792)</u></u>	<u><u>(29,913)</u></u>	<u><u>-</u></u>	<u><u>12,858,221</u></u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Unitech Printed Circuit Board Corporation**Statements of Cash Flows****For the years ended December 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ <u>519,423</u>	<u>1,624,864</u>
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	989,033	1,040,047
Amortization expense	28,479	28,218
Expected credit (gain) loss	(1,168)	11,596
Interest expense	103,395	137,387
Interest income	(23,211)	(18,580)
Share-based payments	-	19,800
Share of profit of subsidiaries accounted for using equity method	(340,758)	(284,550)
(Gain) loss on disposal of property, plant and equipment	(30,130)	7,094
Other items	<u>(8)</u>	<u>(4)</u>
Total adjustments to reconcile profit	<u>725,632</u>	<u>941,008</u>
Changes in operating assets and liabilities:		
Accounts receivable	973,697	(687,870)
Accounts receivable-related parties	4,560	11,811
Other receivables	(3,143)	576
Other receivables-related parties	(74,822)	(26)
Inventories	(340,534)	(133,363)
Prepayments	6,611	(8,196)
Other current assets	(65)	(2,203)
Other financial assets-current	(36)	(1,494)
Accounts payable	(227,582)	145,072
Accounts payable-related parties	(14,198)	(2,214)
Other payables	(188,837)	313,253
Other payables-related parties	(882)	(303)
Increase in provisions	3,713	-
Other current liabilities	5,456	(279)
Net defined benefit liabilities	<u>(11,406)</u>	<u>(11,364)</u>
Total changes in operating assets and liabilities	<u>132,532</u>	<u>(376,600)</u>
Total adjustments	<u>858,164</u>	<u>564,408</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
Unitech Printed Circuit Board Corporation

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash inflow generated from operations	1,377,587	2,189,272
Interest received	23,221	18,525
Interest paid	(105,622)	(140,592)
Income taxes paid	(2,275)	(1,531)
Net cash flows from operating activities	<u>1,292,911</u>	<u>2,065,674</u>
Cash flows from (used in) investing activities:		
Acquisition from financial assets at fair value through other comprehensive income	-	(19,833)
Acquisition of investments accounted for using equity method	(1,577,264)	(391,808)
Acquisition of property, plant and equipment	(381,643)	(1,053,428)
Proceeds from disposal of property, plant and equipment	136,699	1,523
(Increase) decrease in refundable deposits	(131)	22,910
Acquisition of intangible assets	(15,933)	(6,821)
(Increase) decrease in other non-current assets	(900)	1,450
Net cash flows used in investing activities	<u>(1,839,172)</u>	<u>(1,446,007)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	1,100,000	6,823,310
Decrease in short-term borrowings	(980,000)	(7,243,310)
Increase in short-term notes and bills payable	-	119,909
Decrease in short-term notes and bills payable	-	(119,909)
Proceeds from long-term borrowings	2,040,000	2,059,000
Repayments of long-term borrowings	(1,193,184)	(2,633,107)
Payment of lease liabilities	(53,720)	(53,478)
Cash dividends	(496,585)	-
Capital increase by cash	-	1,037,400
Cost of increase in treasury share	(76,289)	-
Net cash flows from (used in) financial activities	<u>340,222</u>	<u>(10,185)</u>
Net (decrease) increase in cash and cash equivalents	(206,039)	609,482
Cash and cash equivalents at beginning of period	<u>855,566</u>	<u>246,084</u>
Cash and cash equivalents at end of period	<u><u>\$ 649,527</u></u>	<u><u>855,566</u></u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

For the years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Unitech Printed Circuit Board Corporation (the “Company”) was incorporated on December 31, 1984, with registered address of No. 3, Lane 4, Zhongshan Road, Tucheng District, New Taipei City, Taiwan, as a company limited by shares under the Company Act of the Republic of China (R.O.C.). The major business activities of the Company are the design, manufacture and sale of PCB.

(2) Approval date and procedures of the financial statements:

The Parent company financial statements was authorized for issue by the Board of Directors on March 11, 2026.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

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

(Continued)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of material accounting policies:

The material accounting policies presented in the financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the financial statements.

(a) Statement of compliance

These financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers .

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the financial statements have been prepared on a historical cost basis:

- 1) Financial assets at fair value through other comprehensive income are measured at fair value;
- 2) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited as explained in note 4(q).

(ii) Functional and presentation currency

The functional currency of each Company entity is determined based on the primary economic environment in which the entity operates. The financial statements are presented in New Taiwan Dollar (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(c) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

An investment in equity securities designated as at fair value through other comprehensive income;

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(d) Classification of current and non-current assets and liabilities

The Company classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

Cash comprises cash on hand, demand deposits and time deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial Instruments

Accounts receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – equity investment. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis) are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables and refundable deposits).

(Continued)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- The credit risk of bank deposits (e.g. the risk of default occurring beyond the expected duration of the financial instruments) has not increased significantly since the original recognition.

Loss allowances for trade receivables is always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment as well as forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when the financial asset is more than one year past due or the debtor is unlikely to pay its credit obligations to the Company in full.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization ; or
- the disappearance of an active market for a security because of financial difficulties.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital surplus is not sufficient to be written down).

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

4) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

6) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

(Continued)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

The financial statements include the Company's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of unrelated Company's interests in the associate.

When the Company's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

(i) Investment in subsidiaries

When preparing the financial statements of Parent company, investment in subsidiaries which are controlled by the Company is accounted for using the equity method. Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries.

Changes in a Parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

- | | | |
|----|-----------------------------|-------------|
| 1) | Buildings and constructions | 15~55 years |
| 2) | Machinery equipment | 3~12 years |
| 3) | Office equipment | 3-5 years |
| 4) | Other equipment | 3-5 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- 1) fixed payments, including in-substance fixed payments;
- 2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- 3) amounts expected to be payable under a residual value guarantee; and
- 4) payments for purchase or termination options that are reasonably certain to be exercised.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- 1) there is a change in future lease payments arising from the change in an index or rate; or
- 2) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or
- 3) there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
- 4) there is a change of its assessment on whether it will exercise an extension or termination option; or
- 5) there is any lease modification

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of office equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

The Company recognizes a finance lease receivable at an amount equal to its net investment in the lease. Initial direct costs, such as lessors to negotiate and arrange a lease, are included in the measurement of the net investment. The interest income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(l) Intangible assets

(i) Recognition and measurement

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

- 1) Computer software 5~10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(m) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(n) Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) Carbon fee

Carbon fee levied in accordance with Taiwan's Climate Change Response Act and Regulations Governing the Collection of Carbon Fees are recognized when the annual greenhouse gas emissions are probably to exceed the threshold. The provision for the carbon fee is measured based on the volume of greenhouse gas emissions incurred that exceeds the statutory threshold, using the rate expected to be applied, during the reporting period.

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(o) Revenue recognition

Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

(i) Sale of goods

The Company design, manufacture and sale PCB. The Company recognizes revenue when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

(ii) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(p) Government grants

The Company recognizes an unconditional government grant related to salary and operations in profit or loss as operating revenue when the grant becomes receivable. Grants that compensate the Company for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

(q) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(r) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss. The grant-date for stock-based compensation of the Company is the date on which the board of directors approves the subscription price and authorizes the employees to receive stock options.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(s) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

- (i) Temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;
- (ii) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(t) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee compensation.

(u) Operating segments

The Company discloses the operating segment information in the consolidated financial statement. Therefore, the Company does not disclose the operating segment information in the parent-company-only financial statements.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these financial statements, management has made judgments, and estimates about the future, including climate-related risks and opportunities that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to estimates are recognized prospectively in the period of the change and future periods.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is as follows:

Judgement of whether the Company has substantive control over its investees

The Company and subsidiaries hold 10.37% of the outstanding voting shares of Fulltech Fiber Glass Corp. and is the single largest shareholder of the investee. Although the remaining 89.63% of Fulltech Fiber Glass Corp.'s shares are not concentrated within specific shareholders, the Company still cannot obtain more than half of the total number of Fulltech Fiber Glass Corp.'s directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Company has significant influence on Fulltech Fiber Glass Corp.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

Evaluation of inventories

Since inventory must be measured at the lower of cost and net realizable value, the Company assesses the amount of inventory due to normal wear and tear, obsolescence, or no market sales value on the reporting date, and offsets the inventory cost to net realizable value. This inventory evaluation is mainly based on the estimated product demand in a specific period in the future, so there may be major changes due to rapid changes in the industry. Please note 6(d) for detailed inventory evaluation and estimation.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

The Company's accounting policies include measuring financial and non-financial assets and liabilities at fair value. The Company has established an internal control framework with respect to the measurement of fair value and regularly reviews significant unobservable inputs and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair value, then the Company assessed the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy in which such valuations should be classified.

The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (c) Level 3: inputs for the assets or liability that are not based on observable market data.

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date. Please refer to note 6(u) for assumptions used in measuring fair value.

(6) Explanation of significant accounts

- (a) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash in stock	\$ 560	611
Bank deposits	466,673	756,600
Time deposits	182,294	98,355
	<u>\$ 649,527</u>	<u>855,566</u>

Please refer to note 6(u) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Company.

- (b) Financial assets at fair value through other comprehensive income

	December 31, 2025	December 31, 2024
Domestic listed common shares	\$ <u>217,522</u>	<u>295,830</u>

- (i) Equity investments at fair value through other comprehensive income

The Company designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Company intends to hold for long-term strategic purposes.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the years ended December 31, 2025 and 2024.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(ii) For credit risk and market risk, please refer to note 6(u).

(iii) As of December 31, 2025 and 2024 the financial assets at fair value through other comprehensive income of the Company had not been pledged.

(c) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable	\$ 3,450,968	4,424,665
Less: Loss allowance	<u>(22,886)</u>	<u>(24,054)</u>
	<u>\$ 3,428,082</u>	<u>4,400,611</u>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including that of macroeconomic and relevant industry information. The loss allowance provisions were determined as follows:

	December 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 3,245,843	0.05%	1,623
1 to 90 days past due	183,381	1.23%	2,247
91 to 180 days past due	3,907	36.17%	1,413
More than 181 days past due	<u>17,837</u>	98.69%	<u>17,603</u>
	<u>\$ 3,450,968</u>		<u>22,886</u>

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 4,067,582	0.04%	1,554
1 to 90 days past due	330,770	1.05%	3,459
91 to 180 days past due	9,359	22.97%	2,150
More than 181 days past due	<u>16,954</u>	99.63%	<u>16,891</u>
	<u>\$ 4,424,665</u>		<u>24,054</u>

The movement in the allowance for accounts receivable were as follows:

	For the years ended December 31	
	2025	2024
Balance at January 1	\$ 24,054	12,458
Impairment losses recognized	-	11,596
Impairment losses reversed	<u>(1,168)</u>	<u>-</u>
Balance at December 31	<u>\$ 22,886</u>	<u>24,054</u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

As of December 31, 2025 and 2024, accounts receivable of the Company had not been pledged.

(d) Inventories

	December 31, 2025	December 31, 2024
Raw materials and supplies	\$ 255,554	229,509
Work in progress	1,183,374	1,132,669
Finished goods	731,752	576,465
Merchandise inventory	<u>356,061</u>	<u>240,291</u>
	2,526,741	2,178,934
Allowance to reduce inventory to market value	<u>(121,667)</u>	<u>(114,394)</u>
	<u>\$ 2,405,074</u>	<u>2,064,540</u>

For the years ended December 31, 2025 and 2024, the Company recognized the cost of sales of \$13,523,756 thousand and \$15,038,391 thousand, respectively.

The details of the cost of sales were as follow:

	2025	2024
Write-down of inventories (Reversal of write-downs)	\$ 7,273	(35,745)
Revenue from sales of scraps	<u>(243,634)</u>	<u>(260,084)</u>
	<u>\$ (236,361)</u>	<u>(295,829)</u>

As of December 31, 2025 and 2024, inventories of the Company had not been pledged.

(e) Investments accounted for using equity method

A summary of the Company's financial information for investments accounted for using the equity method at the reporting date is as follows:

	December 31, 2025	December 31, 2024
Subsidiaries	<u>\$ 8,614,655</u>	<u>6,400,848</u>

(i) Subsidiaries

Please refer to Consolidated Financial statements, 2025.

(ii) Guarantee

As of December 31, 2025 and 2024, investments accounted as collateral for its borrowings of the Company had not been pledged.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(f) Property, plant, and equipment

The cost, depreciation and impairment of the property, plant and equipment of the Company for the years ended December 31, 2025 and 2024, were as follows:

	<u>Land</u>	<u>Buildings and constructions</u>	<u>Machinery equipment</u>	<u>Office facilities</u>	<u>Other facilities</u>	<u>Testing equipment</u>	<u>Total</u>
Cost or deemed cost:							
Balance at January 1, 2025	\$ 1,342,247	2,454,956	12,288,337	351,554	4,932,641	203,562	21,573,297
Additions	-	-	-	69	-	-	69
Disposals	(37,529)	(7,934)	(542,209)	(9,105)	(4,040)	-	(600,817)
Reclassification	-	4,996	215,664	25,964	97,047	61,263	404,934
Balance at December 31, 2025	<u>\$ 1,304,718</u>	<u>2,452,018</u>	<u>11,961,792</u>	<u>368,482</u>	<u>5,025,648</u>	<u>264,825</u>	<u>21,377,483</u>
Balance at January 1, 2024	\$ 573,925	2,449,638	12,464,228	332,574	4,882,317	279,688	20,982,370
Disposals	-	-	(389,389)	(3,525)	(5,984)	-	(398,898)
Reclassification	768,322	5,318	213,498	22,505	56,308	(76,126)	989,825
Balance at December 31, 2024	<u>\$ 1,342,247</u>	<u>2,454,956</u>	<u>12,288,337</u>	<u>351,554</u>	<u>4,932,641</u>	<u>203,562</u>	<u>21,573,297</u>
Depreciation and impairments loss:							
Balance at January 1, 2025	\$ -	772,157	9,841,872	295,685	4,079,365	-	14,989,079
Depreciation	-	53,092	635,098	19,387	227,951	-	935,528
Disposals	-	(1,691)	(479,621)	(9,085)	(3,851)	-	(494,248)
Balance at December 31, 2025	<u>\$ -</u>	<u>823,558</u>	<u>9,997,349</u>	<u>305,987</u>	<u>4,303,465</u>	<u>-</u>	<u>15,430,359</u>
Balance at January 1, 2024	\$ -	718,693	9,562,536	278,706	3,832,464	-	14,392,399
Depreciation	-	53,464	661,019	20,498	251,980	-	986,961
Disposals	-	-	(381,683)	(3,519)	(5,079)	-	(390,281)
Balance at December 31, 2024	<u>\$ -</u>	<u>772,157</u>	<u>9,841,872</u>	<u>295,685</u>	<u>4,079,365</u>	<u>-</u>	<u>14,989,079</u>
Carrying Value:							
Balance at December 31, 2025	<u>\$ 1,304,718</u>	<u>1,628,460</u>	<u>1,964,443</u>	<u>62,495</u>	<u>722,183</u>	<u>264,825</u>	<u>5,947,124</u>
Balance at January 1, 2024	<u>\$ 573,925</u>	<u>1,730,945</u>	<u>2,901,692</u>	<u>53,868</u>	<u>1,049,853</u>	<u>279,688</u>	<u>6,589,971</u>
Balance at December 31, 2024	<u>\$ 1,342,247</u>	<u>1,682,799</u>	<u>2,446,465</u>	<u>55,869</u>	<u>853,276</u>	<u>203,562</u>	<u>6,584,218</u>

(i) Guarantee

As of December 31, 2025 and 2024, the property, plant and equipment of the Company had been pledged as collateral for short-term, long-term borrowings and credit lines. Please refer to note 8.

(ii) Acquisition of machinery and equipment

For the years ended December 31, 2025 and 2024, the information of the Company acquisition of machinery and equipment were as below:

	<u>2025</u>	<u>2024</u>
Capitalization interest rate	<u>2.47%~2.58%</u>	<u>2.30%~2.61%</u>
Capitalized borrowings cost	<u>\$ 2,717</u>	<u>3,160</u>

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(g) Right-of-use-assets

The Company leases assets including land, buildings and constructions, office facilities and transportation facilities. Information about leases per which the Company as a lease was represented below:

	<u>Land</u>	<u>Buildings and constructions</u>	<u>Office facilities</u>	<u>Transportation facilities</u>	<u>Other assets</u>	<u>Total</u>
Cost:						
Balance at January 1, 2025	\$ -	63,393	4,645	52,085	28,398	148,521
Additions	-	13,027	9,192	1,350	6,626	30,195
Disposals	-	(41,387)	(2,764)	(6,409)	(1,360)	(51,920)
Balance at December 31, 2025	<u>\$ -</u>	<u>35,033</u>	<u>11,073</u>	<u>47,026</u>	<u>33,664</u>	<u>126,796</u>
Balance at January 1, 2024	\$ 269,960	67,669	16,888	55,350	34,343	444,210
Additions	630,696	5,915	1,724	12,673	8,187	659,195
Disposals	(900,656)	(10,191)	(13,967)	(15,938)	(14,132)	(954,884)
Balance at December 31, 2024	<u>\$ -</u>	<u>63,393</u>	<u>4,645</u>	<u>52,085</u>	<u>28,398</u>	<u>148,521</u>
Accumulated depreciation:						
Balance at January 1, 2025	\$ -	38,108	3,288	26,203	8,472	76,071
Depreciation	-	31,395	3,614	11,304	7,192	53,505
Disposals	-	(41,387)	(2,764)	(6,169)	(1,360)	(51,680)
Balance at December 31, 2025	<u>\$ -</u>	<u>28,116</u>	<u>4,138</u>	<u>31,338</u>	<u>14,304</u>	<u>77,896</u>
Balance at January 1, 2024	\$ 132,422	13,772	12,544	30,180	15,344	204,262
Depreciation	-	29,954	4,451	11,421	7,260	53,086
Disposals	(132,422)	(5,618)	(13,707)	(15,398)	(14,132)	(181,277)
Balance at December 31, 2024	<u>\$ -</u>	<u>38,108</u>	<u>3,288</u>	<u>26,203</u>	<u>8,472</u>	<u>76,071</u>
Carrying amount:						
Balance at December 31, 2025	<u>\$ -</u>	<u>6,917</u>	<u>6,935</u>	<u>15,688</u>	<u>19,360</u>	<u>48,900</u>
Balance at January 1, 2024	<u>\$ 137,538</u>	<u>53,897</u>	<u>4,344</u>	<u>25,170</u>	<u>18,999</u>	<u>239,948</u>
Balance at December 31, 2024	<u>\$ -</u>	<u>25,285</u>	<u>1,357</u>	<u>25,882</u>	<u>19,926</u>	<u>72,450</u>

(h) Intangible assets

The information on movement of the intangible assets of the Company for the years ended December 31, 2025 and 2024, was as follows:

	<u>Computer Software</u>
Costs:	
Balance at January 1, 2025	\$ 205,127
Additions	15,933
Disposals	(6,271)
Balance at December 31, 2025	<u>\$ 214,789</u>
Balance at January 1, 2024	\$ 201,702
Additions	6,821
Disposals	(3,396)
Balance at December 31, 2024	<u>\$ 205,127</u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

	Computer Software
Accumulated amortization:	
Balance at January 1, 2025	\$ 102,294
Amortization	27,765
Disposals	(6,271)
Balance at December 31, 2025	<u><u>\$ 123,788</u></u>
Balance at January 1, 2024	\$ 78,218
Amortization	27,472
Disposals	(3,396)
Balance at December 31, 2024	<u><u>\$ 102,294</u></u>
Carrying amount:	
Balance at December 31, 2025	<u><u>\$ 91,001</u></u>
Balance at January 1, 2024	<u><u>\$ 123,484</u></u>
Balance at December 31, 2024	<u><u>\$ 102,833</u></u>

(i) Amortization

The amortization of intangible assets recognized in the statement of comprehensive income for the years ended December 31, 2025 and 2024 was as follows:

	2025	2024
Operating cost	<u><u>\$ 3,286</u></u>	<u><u>4,530</u></u>
Operating expense	<u><u>\$ 24,479</u></u>	<u><u>22,942</u></u>

(i) Short-term borrowings

The short-term borrowings were summarized as follows:

	December 31, 2025	December 31, 2024
Unsecured bank loans	<u><u>\$ 120,000</u></u>	<u><u>-</u></u>
Unused short-term credit lines	<u><u>\$ 3,689,937</u></u>	<u><u>3,850,166</u></u>
Range of interest rates	<u><u>1.85%~1.90%</u></u>	<u><u>-</u></u>

For the collateral for short-term borrowings, please refer to note 8.

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Notes to the Financial Statements

(j) Long-term borrowings

The long-term borrowings were summarized as follows:

December 31, 2025				
	Currency	Rate	Maturity year	Amount
Unsecured bank loans	TWD	1.90%~2.82%	2026-2031	\$ 1,562,540
Secured bank loans	TWD	2.07%~2.71%	2026-2039	3,379,489
Less: current portion				(1,387,484)
Total				<u><u>\$ 3,554,545</u></u>
Unused long-term credit lines				<u><u>\$ 1,960,000</u></u>

December 31, 2024				
	Currency	Rate	Maturity year	Amount
Unsecured bank loans	TWD	2.42%~2.69%	2026-2027	\$ 539,540
Secured bank loans	TWD	2.08%~2.71%	2026-2039	3,555,673
Less: current portion				(960,184)
Total				<u><u>\$ 3,135,029</u></u>
Unused long-term credit lines				<u><u>\$ 2,200,000</u></u>

(i) Collateral for long-term borrowings

For the collateral for long-term borrowings, please refer to note 8.

(ii) The details of loans were as follows:

- 1) The Company entered into a syndicated credit agreement (hereinafter referred to as syndicated credit agreement) with a consortium of financial institutions, with Taiwan Cooperative Bank as the lead bank, on March 28, 2025, wherein the principal are summarized below:
 - a) The consortium of financial institutions consists of (i) Taiwan Cooperative Bank (the lead bank and credit facility management), together with (ii) Land Bank of Taiwan and (iii) Taiwan Business Bank (referred to as the joint leading banks); as well as (iv) Agricultural Bank of Taiwan.
 - b) The total credit facility of NT\$1.2 billion is to enhance the borrower's medium-term working capital.
 - c) The following are the credit duration, withdrawal period, and settlement method:
 - i) This credit duration: five years from the date of first withdrawn (includes a grace period of 36 months). The borrower must first make use of the funds six months prior to the expiration of the contract signing date; otherwise, the date shall be deemed to be the first draw up date.

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

- ii) Withdrawal period of this credit:
 - a. Since it is a medium term loan, the credit facility of NT\$1.2 billion may be withdrawn for multiple times and on a recurring basis.

- iii) Settlement method:
 - a. To fully settle the principle of credit that has been withdrawn upon its expiration according to the credit period of each loan appropriated and to withdraw the outstanding principal balance on a recurring basis as agreed in this credit. When the outstanding principal balance is used on a recurring basis, the newly appropriated amount shall be directly paid for the portion already due.

The first period of credit limit reduction shall be the date thirty-six months from the date of first use. Thereafter, it shall be divided into three periods of twelve months each. In the first and second periods, the credit limit shall be reduced by 15% each, and in the third period, the credit limit shall be reduced by 70%.

- b. In any situation, the Company shall fully settle all its outstanding principal, interests and other payables and expenses upon the expiration of this credit.
- d) Under the syndicated credit agreement, the Company shall provide its audited annual consolidated financial statements during the credit period, as well as the consolidated financial statements for the first, second and third quarters as reviewed by its accountants. Restrictions rules on specific financial ratios, such as current ratio, debt ratio, interest protection multiplier, and equity, shall be calculated based on the consolidated annual financial statements audited by the accountants, and reviewed annually.
- e) The above borrowings are provided by the Company, with promissory notes pledged as collateral and related parties acting as joint guarantors.
- f) The Company made its first withdrawal on December 12, 2025.

The Company did not violate the above financial ratios and has complied with the relevant contract terms in 2025.

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Notes to the Financial Statements

- 2) The Company entered into a syndicated credit agreement (hereafter referred to as syndicated credit agreement) with a group of banks leading by Bank of Taiwan on March 27, 2023, the principal contents of which are summarized below:
- a) The group of banks consists of:
 Bank of Taiwan (leading bank, credit facility management bank and secured equity interest management bank), Changhwa Commercial Bank, Taiwan Business Bank, Taiwan Cooperative Bank, First Commercial Bank (the aforementioned banks are the joint leading banks), Land Bank of Taiwan, Mega International Commercial Bank, Taipei Fubon Commercial Bank, Bank SinoPac and The Shanghai Commercial & Savings Bank.
 - b) The total credit facility is NT\$3.6 billion to meet the borrower's repayment of existing financial institution liabilities and to enhance the borrower's medium-term working capital.
 - c) The credit duration, the withdrawn period and the settlement method:
 - i) This credit duration: five years from the date of first withdrawn (of which credit A includes a grace period of 18 months). The first use of loan by borrower must be before May 20, 2023, otherwise that date shall be deemed to be the first draw up date.
 - ii) Withdrawn period of this credit:
 - a. Credit A: It is a medium term (secured) loan, and the credit facility amounted to NT\$2.4 billion may be withdrawn for multiple times but not on a recurring basis. The withdrawn period of credit A is six months from its first withdrawn, and upon the expiry of the Credit A, the unused Credit A facility is automatically canceled and cannot be used again.
 - b. Credit B: It is a medium term loan, and the credit facility amounted to NT\$1.2 billion may be withdrawn for multiple times and on a recurring basis.
 - iii) Settlement method:
 - a. Credit A: The first repayment date of this credit shall be the date on which 18 months have elapsed from first withdrawn date, and every six months thereafter shall be deemed as a repayment period, then the credit is amortized in total of eight installments. The principal balance of credit A outstanding at the expiration of withdrawn period shall be evenly repaid in each repayment date.
 - b. Credit B: To fully settle the principal of credit that has been withdrawn upon its expiration according to the credit period of each loan appropriated and to withdraw the outstanding principal balance on a recurring basis as agreed in this credit. When the outstanding principal balance is used on a recurring basis, the newly appropriated amount shall be able to directly pay for the portion already due.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

In any situation, the Company shall fully settle all its outstanding principal, interests and other payables and expenses upon the expiration of this credit.

- d) Under the syndicated credit agreement, the Company shall provide, during the credit period, the audited annual consolidated financial statements and the consolidated financial statements for the first, second and third quarters as reviewed by the accountants. Restrictions rules on specific financial ratios such as current ratio, debt ratio, interest protection multiplier and tangible net value shall be calculated based on the consolidated annual financial statements audited by the accountants. It shall be inspected one time per year or as often as the management Bank deems necessary.
- e) The above borrowings are provided by the Company with promissory notes, machinery and equipment, factory and building as collateral for this credit case and the related parties are acting as joint guarantors.
- f) The Company made its first withdrawal on April 28, 2023.

The Company did not violate the above financial ratios and has complied with the relevant contract terms in 2025 and 2024.

(k) Lease liabilities

The carrying values of the Company's lease liabilities were as follows:

	December 31, 2025	December 31, 2024
Current	\$ <u>24,960</u>	<u>42,060</u>
Non-current	\$ <u>26,735</u>	<u>33,408</u>

For the maturity analysis, please refer to note 6(u).

The amounts recognized in profit or loss was as follows:

	2025	2024
Interest on lease liabilities	\$ <u>1,519</u>	<u>1,812</u>
Expenses relating to leases of low value assets and short term leases	\$ <u>6,415</u>	<u>5,705</u>

The amounts recognized in the statement of cash flows for the Company was as follows:

	2025	2024
Total cash outflow for leases	\$ <u>61,654</u>	<u>60,995</u>

(i) Real estate leases

The Company leases land and buildings for its office space and employee accommodation. The leases of office space and employee accommodation typically run for two to ten years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

The Company expects the relative proportions of fixed and variable lease payments to remain broadly consistent in future years.

(ii) Other leases

The Company leases office facilities and transportation facilities, with lease terms of one to four years. In some cases, the Company has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Company also leases office facilities and parking space with lease terms of one to four years. These leases are short term or leases of low value items. The Company decides to apply recognition exemptions, and has selected not to recognize right-of-use assets and lease liabilities for these leases.

(l) Employee benefits

(i) Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value are as follows:

	December 31, 2025	December 31, 2024
Present value of the defined benefit obligations	\$ 669,978	731,132
Fair value of plan assets	(572,948)	(573,324)
Net defined benefit liabilities	\$ 97,030	157,808

The Company makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Company allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Company's Bank of Taiwan labor pension reserve account balance amounted to \$572,948 thousand and \$573,324 thousand as of December 31, 2025 and 2024, respectively. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

2) Movements in present value of the defined benefit obligations

The movement in present value of the defined benefit obligations for the Company were as follows:

	2025	2024
Defined benefit obligations at January 1	\$ 731,132	682,157
Current service costs and interest cost	17,085	15,603
Remeasurements:		
— Actuarial loss arising from changes in financial assumptions	(8,620)	75,196
Benefits paid from plan assets	(69,619)	(41,824)
Defined benefit obligations at December 31	<u><u>\$ 669,978</u></u>	<u><u>731,132</u></u>

3) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Company were as follows:

	2025	2024
Fair value of plan assets at January 1	\$ 573,324	540,194
Interest income	8,712	6,713
Remeasurements:		
— Return on plan assets (excluding interest income)	40,752	47,987
Contributions from employer	19,779	20,254
Benefits paid from plan assets	(69,619)	(41,824)
Fair value of plan assets at December 31	<u><u>\$ 572,948</u></u>	<u><u>573,324</u></u>

4) Movements of the effect of the asset ceiling

There were no movements in the number of impacts of the Company's defined benefit plan asset ceiling in 2025 and 2024.

5) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Company were as follows:

	2025	2024
Current service costs	\$ 6,147	7,264
Net interest of net liabilities for defined benefit obligations	2,226	1,626
	<u><u>\$ 8,373</u></u>	<u><u>8,890</u></u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

	<u>2025</u>	<u>2024</u>
Operating cost	\$ 1,671	2,007
Operating expense	<u>6,702</u>	<u>6,883</u>
	<u>\$ 8,373</u>	<u>8,890</u>

6) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Discount rate	1.2964 %	1.4961 %
Future salary increase rate	1.0000 %	1.0000 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one-year period after the reporting date is \$44,922 thousand.

The weighted average lifetime of the defined benefits plans is 9.05 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	<u>Influences of defined benefit obligations</u>	
	<u>Increased 0.25%</u>	<u>Decreased 0.25%</u>
December 31, 2025		
Discount rate	(14,625)	15,102
Future salary increasing (decreasing) rate	14,954	(14,551)
December 31, 2024		
Discount rate	(16,303)	16,851
Future salary increasing (decreasing) rate	16,717	(16,251)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2025 and 2024.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(ii) Defined contribution plans

The Company allocated 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocated a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$132,533 thousand and \$128,321 thousand for the years ended December 31, 2025 and 2024, respectively.

(m) Income tax

(i) Income tax expense

The Company of income tax expense were as follows:

	<u>2025</u>	<u>2024</u>
Current tax expense		
Current period	\$ 25,342	-
Deferred tax expense		
Origination and reversal of temporary differences	9,631	37,074
Income tax expense	<u>\$ 34,973</u>	<u>37,074</u>

Reconciliation of income tax expense and profit before tax for 2025 and 2024 was as follows:

	<u>2025</u>	<u>2024</u>
Profit excluding income tax	\$ 519,423	1,624,864
Income tax using the Company's domestic tax rate	103,885	324,973
Non-deductible expenses	152	204
Recognition of previously unrecognized tax losses	(14,619)	(296,931)
Change in unrecognized temporary differences	1,454	(7,149)
Share of profit of accounted for using equity method	(68,153)	(56,910)
Additional tax on undistributed earnings	25,342	-
Others	(13,088)	72,887
Income tax expense	<u>\$ 34,973</u>	<u>37,074</u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The Company is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2025 and 2024. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details were as follows:

	December 31, 2025	December 31, 2024
Aggregate amount of temporary differences related to investments in subsidiaries	\$ <u><u>2,051,395</u></u>	<u><u>1,810,251</u></u>
Unrecognized deferred tax liabilities	\$ <u><u>410,279</u></u>	<u><u>362,050</u></u>

2) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2025	December 31, 2024
Tax effect of deductible temporary differences	\$ 42,838	41,384
The carryforward of unused tax losses	<u>111,116</u>	<u>127,201</u>
	\$ <u><u>153,954</u></u>	<u><u>168,585</u></u>

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

As of December 31, 2025, the information of the Company's unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss	Unused tax loss	Expiry date
2021(approved)	\$ 1,132,584	2031
2023(approved)	<u>500,996</u>	2033
	\$ <u><u>1,633,580</u></u>	

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

3) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2025 and 2024 were as follows:

	Loss carryforward	Others	Total
Deferred Tax Assets:			
Balance at January 1, 2025	\$ 226,787	-	226,787
Recognized in profit or loss	(11,187)	-	(11,187)
Balance at December 31, 2025	<u>\$ 215,600</u>	<u>-</u>	<u>215,600</u>
Balance at January 1, 2024	\$ 244,787	11,398	256,185
Recognized in profit or loss	(18,000)	(11,398)	(29,398)
Balance at December 31, 2024	<u>\$ 226,787</u>	<u>-</u>	<u>226,787</u>
	Land revalue added revaluation	Other	Total
Deferred tax liabilities:			
Balance at January 1, 2025	\$ 171,517	7,676	179,193
Recognized in profit or loss	-	(1,556)	(1,556)
Balance at December 31, 2025	<u>\$ 171,517</u>	<u>6,120</u>	<u>177,637</u>
Balance at January 1, 2024	\$ 171,517	-	171,517
Recognized in profit or loss	-	7,676	7,676
Balance at December 31, 2024	<u>\$ 171,517</u>	<u>7,676</u>	<u>179,193</u>

(iii) The Company's income tax returns had been examined by the tax authorities through the years to 2023.

(n) Capital and other equity

As of December 31, 2024, the number of authorized ordinary shares was 800,000 thousand shares, with a par value of \$10 per share, amounting to \$8,000,000 thousand. On June 17, 2025, the Company's shareholders' meeting resolved to increase the Company's registered authorized ordinary shares to 1,000,000 thousand shares, at the amount of \$10,000,000 thousand, with a par value of \$10 per share. For the years ended December 31, 2025 and 2024, 706,253 thousand and 709,407 thousand ordinary shares were issued, respectively, which were fully paid upon issuance.

(i) Ordinary shares

Based on a resolution decided during its board meeting held on August 13, 2024, the Company conducted a cash capital increase by issuing 40,000 thousand ordinary shares, at a par value of \$10 per share, totaling \$400,000 thousand, and an issuance price of \$26 per share, on December 5, 2024, with the approval of the FSC. All issued shares had been fully paid, and the relevant statutory procedures were since been completed.

In accordance with Article 267 of the Company Act, 10% of the newly issued shares, 4,000 thousand shares in total, were reserved for subscription by the Company's employees. For share-based payment expenses arising from these employee-reserved shares, please refer to note 6(o).

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Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

Furthermore, according to the resolution decided during its board meeting held on August 12, 2025, the Company cancelled 3,154 thousand treasury shares, resulting in its outstanding shares to be 706,253 thousands as of December 31, 2025. For related information, please refer to Note 6(n)-4.

(ii) Capital surplus

The balances of capital surplus were as follows:

	December 31, 2025	December 31, 2024
Additional paid-in capital	\$ 3,514,247	3,529,941
Changes in equity of investment in subsidiaries and associates accounted for using equity method	524,677	180,874
Unclaimed cash dividend	1,029	790
Expired share options	6,712	6,712
	<u>\$ 4,046,665</u>	<u>3,718,317</u>

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

According to the Company's Article, net earnings should be used to offset the prior year's deficits, if any, before paying any income taxes. 10% of retained earnings will be as legal reserve. The rest of the amount and undistributed surplus will be allocated on the basis of the allocation plan proposed by the Board of Directors and submitted to stockholders for approval.

In response to the Company's business expansion needs and in alignment with its long-term financial planning to ensure sustainable operations and stable development, the Company adopts a Residual Dividend Policy, which is based on assessing the Company's annual funding requirements derived from its future capital budget. Retained earnings are first used to satisfy the required funding, and only the remaining earnings will be distributed as dividends as follows: (1) After having determined an optimal capital budget. (2) After the amount of funding required to meet the capital budget have been identified. (3) After an assessment has been made as to how much of the required funding will be covered by retained earnings (any shortfall may be financed through cash capital increases or corporate bonds). (4) After retaining an appropriate amount of surplus for operational needs, with the probability of the entire remaining earnings to be distributed to shareholders. In determining future dividend distributions, the Company will consider its funding utilization and establish an appropriate ratio of cash dividends (which shall account for at least 50%) to stock dividends for the year.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

1) Legal reserve

When a company incurs no loss, it may pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. An equivalent amount of special reserve shall be allocated from the net profit in the period and the undistributed prior period earnings. A portion of undistributed prior period earnings shall be reclassified to special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The earnings distribution for 2024 was resolved by the general meeting of shareholders held on June 17, 2025 as follow:

	2024	
	Amount per share	Total amount
Dividends distributed to ordinary shareholders:		
Cash	\$ 0.70	<u>496,585</u>

The earnings distribution for 2023 was resolved by the general meeting of shareholders held on June 26, 2024. There was no earnings distribution for the year ended December 31, 2023, due to the losses incurred by the Company.

4) Treasury shares

In 2025, in accordance with the requirements under section 28(2) of the Securities and Exchange Act, the Company repurchased 3,154 thousand treasury shares for \$76,289 thousand in order to protect the Company's integrity and shareholders' equity.

Based on the resolution decided during its board meeting held on August 12, 2025, the Company cancelled 3,154 thousand treasury shares, wherein all relevant legal procedures had been completed on September 15, 2025.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(iv) Other comprehensive income accumulated in reserves, net of tax

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on remeasurement of defined benefits plan	Unearned employee compensation	Total
Balance at January 1, 2025	\$ 248,050	120,192	(264,987)	-	103,255
Exchange differences on foreign operations:					
The Company	11,224	-	-	-	11,224
Associate	(4,380)	-	-	-	(4,380)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income:					
The Company	-	(78,308)	-	-	(78,308)
Subsidiary	-	(16,767)	-	-	(16,767)
Associate	-	(8,005)	-	-	(8,005)
Remeasurement of defined benefits plan:					
The Company	-	-	49,372	-	49,372
Associate	-	-	(177)	-	(177)
Unearned employee compensation:					
Associate	-	-	-	(29,913)	(29,913)
Balance at December 31, 2025	<u>\$ 254,894</u>	<u>17,112</u>	<u>(215,792)</u>	<u>(29,913)</u>	<u>26,301</u>

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on remeasurement of defined benefits plan	Unearned employee compensation	Total
Balance at January 1, 2024	\$ (22,349)	178,921	(238,123)	-	(81,551)
Exchange differences on foreign operations:					
The Company	257,501	-	-	-	257,501
Associate	12,898	-	-	-	12,898
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income:					
The Company	-	(63,663)	-	-	(63,663)
Subsidiary	-	13,690	-	-	13,690
Associate	-	(8,756)	-	-	(8,756)
Remeasurement of defined benefits plan:					
The Company	-	-	(27,209)	-	(27,209)
Associate	-	-	345	-	345
Balance at December 31, 2024	<u>\$ 248,050</u>	<u>120,192</u>	<u>(264,987)</u>	<u>-</u>	<u>103,255</u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(o) Share-based payment

(i) The information on the Company's share-based payment in 2024 is as follows:

	2024 First time Capital increase by cash reserved for employee share option
Grant date	2024.11.01
Granted amount (in thousand)	4,000
Contract period	-
Grantee	Employee
Vesting conditions	Immediacy

(ii) Information on the cash increase of employee share option was as follows:

	2024 Share option amount (in thousand)
Outstanding amount at January 1	-
Current grant	4,000
Current vesting	(2,644)
Current expiry	(1,356)
Outstanding amount at December 31	-

(iii) Compensation cost

The Company recognized the operating expenses of \$19,800 thousand for capital increase by cash reserved for employee stock options for the year ended December 31, 2024. There was no such transaction in 2025.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(p) Earnings per share

The calculation of basic earnings per share and diluted earning per share were as follow:

	<u>2025</u>	<u>2024</u>
Basic earnings per share:		
Profit attributable to ordinary shareholders of the Company	\$ <u>484,450</u>	<u>1,587,790</u>
Weighted average number of ordinary shares (in thousand of shares)	<u>707,516</u>	<u>672,358</u>
	\$ <u>0.68</u>	<u>2.36</u>
Diluted earnings per share:		
Profit attributable to ordinary shareholders of the Company	\$ <u>484,450</u>	<u>1,587,790</u>
Weighted average number of ordinary shares (basic) (in thousand of shares)	707,516	672,358
Effect of employee share bonus	410	1,033
Weighted average number of ordinary shares (diluted) (in thousand of shares)	<u>707,926</u>	<u>673,391</u>
	\$ <u>0.68</u>	<u>2.36</u>

(q) Revenue from contracts with customers

(i) Details of revenue

	<u>2025</u>	<u>2024</u>
Major products/Services lines:		
2 Layers	\$ 208,876	208,964
4 Layers	1,043,749	1,372,405
6 Layers	1,858,182	2,411,232
8 Layers	3,914,467	5,026,401
More than 10 Layers	7,907,499	8,432,886
Others	25,390	110,412
	\$ <u>14,958,163</u>	<u>17,562,300</u>

(ii) Contracts balances

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>January 1, 2024</u>
Accounts receivable	\$ 3,450,968	4,424,665	3,736,795
Accounts receivable-related parties	5,233	9,793	21,604
Less: loss allowance	(22,886)	(24,054)	(12,458)
	\$ <u>3,433,315</u>	<u>4,410,404</u>	<u>3,745,941</u>

Please refer to note 6(c) for the disclosure of and accounts receivable and their impairment.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(r) Employee compensation and directors' remuneration

On June 17, 2025, the Company resolved at its shareholders' meeting to amend its Articles of Incorporation. Under the revised articles, if the Company incurs profit for the year, the profit should first be used to offset against any accumulated deficits. Thereafter, 1% to 5% of the profit before tax shall be appropriated as employee remuneration (of which, a minimum of 20% shall be reserved specifically for base-level employees). Moreover, a maximum of 3% of the remaining profit shall be appropriated as remunerations to directors and supervisors.

Under the Articles of Incorporation prior to the amendment, if the Company incurs profit for the year, the profit should first be used to offset against any accumulated deficits. Thereafter, 1% to 5% of the profit before tax shall be appropriated as employee remuneration. Moreover, a maximum of 3% of the remaining profit shall be appropriated as remunerations to directors and supervisors.

For the years ended December 31, 2025 and 2024, the Company estimated its employee remuneration amounting to \$10,000 thousand and \$34,000 thousand, and directors' and supervisors' remuneration amounting to \$5,000 thousand and \$17,000 thousand, respectively. These amounts were calculated using the Company's pre tax income for each period before deducting the remunerations of employees and directors, multiplied by the proposed percentages of remunerations of employees, directors, and supervisors as stated in the Company's Articles of Incorporation. These remunerations were expensed under operating expenses for the period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholders' meeting, the adjustments will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

The difference between the estimated and the actual amounts in 2024 was \$1,333 thousand, which was recognized in profit or loss in 2025. Related information would be available at the Market Observation Post System website.

(s) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	<u>2025</u>	<u>2024</u>
Interest income from bank deposits	\$ 23,196	18,520
Other interest income	<u>15</u>	<u>60</u>
	<u><u>\$ 23,211</u></u>	<u><u>18,580</u></u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(ii) Other income

The details of other income were as follows:

	2025	2024
Compensation income	\$ 13,609	9,586
Design income	55,358	37,530
Subsidy	5,502	725
Other income	11,564	23,211
	\$ 86,033	71,052

(iii) Other gains and losses

The details of other gains and losses were as follows:

	2025	2024
Foreign exchange (losses) gains	\$ (88,634)	161,632
Gains on lease modification	8	4
Gains (losses) on disposals of property, plant and equipment	30,130	(7,094)
Miscellaneous disbursements	(2,426)	(22,061)
	\$ (60,922)	132,481

(iv) Financial costs

The details of finance costs were as follows:

	2025	2024
Interest expense on borrowings	\$ 104,593	138,735
Interest expense on lease liabilities	1,519	1,812
Less: interest capitalization	(2,717)	(3,160)
	\$ 103,395	137,387

(t) Financial instruments

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Concentration of Credit risk

The Company has a large customer base, it has not concentrated on transactions with a single customer. Therefore, there was no concentration of credit risk in its trade receivables. To minimize credit risk, the Company periodically evaluates customers' financial positions.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 12 months</u>	<u>1-5 years</u>	<u>Over 5 years</u>
December 31, 2025					
Non-derivative financial liabilities					
Short-term borrowings	\$ 120,000	120,299	120,299	-	-
Accounts payable	1,428,062	1,428,062	1,428,062	-	-
Accounts payable-related parties	1,217,659	1,217,659	1,217,659	-	-
Other payables	943,699	947,412	947,412	-	-
Other payables-related parties	668	668	668	-	-
Leases liabilities	51,695	52,566	25,233	27,333	-
Current portion of long-term borrowings	1,387,484	1,405,658	1,405,658	-	-
Long-term borrowings	3,554,545	3,788,950	86,408	3,396,954	305,588
Guarantee deposits received	<u>7,567</u>	<u>7,567</u>	<u>7,567</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,711,379</u>	<u>8,968,841</u>	<u>5,238,966</u>	<u>3,424,287</u>	<u>305,588</u>
December 31, 2024					
Non-derivative financial liabilities					
Accounts payable	\$ 1,655,644	1,655,644	1,655,644	-	-
Accounts payable-related parties	1,231,857	1,231,857	1,231,857	-	-
Other payables	1,094,472	1,094,472	1,094,472	-	-
Other payables-related parties	1,550	1,550	1,550	-	-
Leases liabilities	75,468	76,619	42,905	33,714	-
Current portion of long-term borrowings	960,184	973,870	973,870	-	-
Long-term borrowings	3,135,029	3,340,442	79,394	3,029,912	231,136
Guarantee deposits received	<u>7,567</u>	<u>7,567</u>	<u>7,567</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,161,771</u>	<u>8,382,021</u>	<u>5,087,259</u>	<u>3,063,626</u>	<u>231,136</u>

The Company does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(iii) Currency risk

1) Exposure to foreign currency risk

The Company's significant exposure to foreign currency risk were as follows:

		December 31, 2025			December 31, 2024		
	Foreign currency	Exchange rate	TWD		Foreign currency	Exchange rate	TWD
Financial assets:							
<u>Monetary items</u>							
USD	\$	121,467 USD/TWD=	31.430	3,817,698	150,106 USD/TWD=	32.785	4,921,212
CNY		36,256 CNY/TWD=	4.500	163,007	56,177 CNY/TWD=	4.478	251,561
THB		77,795 THB/TWD=	1.002	77,942	303 THB/TWD=	0.969	291
Financial liabilities:							
<u>Monetary items</u>							
USD	\$	67,346 USD/TWD=	31.430	2,116,669	69,101 USD/TWD=	32.785	2,265,463
CNY		12,035 CNY/TWD=	4.500	54,108	18,825 CNY/TWD=	4.478	84,298
THB		125 THB/TWD=	1.002	125	31 THB/TWD=	0.969	30

2) Sensitivity analysis

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable (including related parties), other receivables, borrowings, accounts payable (including related parties) and other payables (including related parties) that are denominated in foreign currency. A weakening (strengthening) of 1% of the NTD against the USD, CNY and THB as of December 31, 2025 and 2024, the net profit before tax in 2025 and 2024 would have increased (decreased) by \$18,877 thousand and 28,233 thousand. The analysis assumed that all other variables remain constant.

3) Foreign exchange gain and loss on monetary items

Since the Company has many kinds of functional currency, the information on foreign exchange gain or loss on monetary items is disclosed by total amount. For the years ended 2025 and 2024, foreign exchange (losses) gain (including realized and unrealized portions) amounted to \$(88,634) thousand and \$161,632 thousand, respectively.

(iv) Interest rate risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Company's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Company management's assessment of the reasonably possible interest rate change.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

If the interest rate had increased or decreased by 1%, the Company's net profit before tax would have decreased or increased by \$43,963 thousand and \$32,235 thousand for 2025 and 2024 with all other variable factors remaining constant. This was mainly due to the Company's deposits and borrowings at variable rates.

(v) Other market price risk

For the years ended December 31, 2025 and 2024, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	<u>2025</u>	<u>2024</u>
<u>Prices of securities at the reporting date</u>	<u>Other</u>	<u>Other</u>
	<u>comprehensive</u>	<u>comprehensive</u>
	<u>income after tax</u>	<u>income after tax</u>
Increasing 1%	\$ <u>2,175</u>	<u>2,958</u>
Decreasing 1%	\$ <u>(2,175)</u>	<u>(2,958)</u>

(vi) Fair value of financial instruments

1) Fair value hierarchy

The financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	<u>December 31, 2025</u>				
	<u>Fair value</u>				
	<u>Book Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through other comprehensive income	\$ <u>217,522</u>	217,522	-	-	217,522
Financial assets measured at amortized cost					
Cash and cash equivalents	649,527				
Accounts receivable, net	3,428,082				
Accounts receivable-related parties, net	5,233				
Other receivables	32,820				
Other receivables-related parties	75,485				
Other financial asset-current	4,825				
Refundable deposits	36,645				
Subtotal	\$ <u>4,232,617</u>				

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

		December 31, 2025				
		Book Value	Fair value			
			Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost						
Borrowings	\$	5,062,029				
Accounts payable		1,428,062				
Accounts payable-related parties		1,217,659				
Other payables		943,699				
Other payables-related parties		668				
Lease liabilities		51,695				
Guarantee deposits received		7,567				
Subtotal	\$	<u>8,711,379</u>				
		December 31, 2024				
		Book Value	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
	\$	<u>295,830</u>	295,830	-	-	295,830
Financial assets measured at amortized cost						
Cash and cash equivalents		855,566				
Accounts receivable, net		4,400,611				
Accounts receivable-related parties, net		9,793				
Other receivables		29,687				
Other receivables-related parties		663				
Other financial asset-current		4,789				
Refundable deposits		36,514				
Subtotal	\$	<u>5,337,623</u>				
Financial liabilities measured at amortized cost						
Borrowings	\$	4,095,213				
Accounts payable		1,655,644				
Accounts payable-related parties		1,231,857				
Other payables		1,094,472				
Other payables-related parties		1,550				
Lease liabilities		75,468				
Guarantee deposits received		7,567				
Subtotal	\$	<u>8,161,771</u>				

(Continued)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

2) Valuation techniques for financial instruments measured at fair value

If a financial instrument has a quoted price in an active market, the quoted price is used as fair value. The quoted price of a financial instrument obtained from major exchanges and over-the counter markets are the basis used to determine the fair value of a listed company's stock and the quoted prices in an active market.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. If these conditions can not be reached, then the market is non-active. In general, a market with low trading volume or high bid-ask spreads is an indication of a non-active market.

(u) Financial risk management

(i) Overview

The Company have exposures to the following risks from its financial instruments:

- 1) credit risk
- 2) liquidity risk
- 3) market risk

The following likewise discusses the Company's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying financial statements.

(ii) Structure of risk management

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(iii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The main potential credit risk of the Company is derived from financial products, such as accounts receivable, but the main sales target are world-renowned manufacturers. In order to reduce the credit risk, the Company also regularly evaluates the customer's operating conditions and the possibility of recovery for period receivables. Because the customer has a large customer base and has a good reputation of profit and credit history, there is no risk of concentration on the credit risk of the company's accounts receivable.

1) Investments

The finance department of the Company is responsible for measuring and monitoring the credit risk associated with bank deposits, fixed income investments, and other financial instruments. Given that the Company's counterparties consist of reputable banks, financial institutions with investment-grade or higher credit ratings, corporate organizations, and government agencies, there are no significant concerns regarding credit risk.

2) Guarantees

The Company's policy is to provide financial guarantees only to wholly owned subsidiaries. As of December 31, 2025 and 2024, except for subsidiaries, no other guarantees were outstanding.

(iv) Liquidity risk

The Company manages sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Company's management supervises the banking facilities and ensures compliance with the terms of loan agreements.

Loans and borrowings from the bank form an important source of liquidity for the Company. As of December 31, 2025 and 2024, the Company's unused credit lines were amounted to \$5,649,937 thousand and \$6,050,166 thousand, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Company is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Company's entities, primarily the NTD, also including USD, CNY and THB. The currencies used in these transactions are the NTD, USD, CNY and THB.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

Loan interest is priced in the currency of the principal of the loan. Generally speaking, the currency of the borrowing is the same as the currency of the cash flow generated by the operation of the Company, mainly in the NTD, also including CNY and USD. In this case, economic hedging is provided without the need to sign derivatives, so hedging accounting is not adopted.

Regarding other monetary assets and liabilities denominated in foreign currencies, when short-term imbalance occurs, the Company buys or sells foreign currencies at real-time exchange rates to ensure that the net risk of risk remains at an acceptable level.

2) Interest rate risk

The Company's borrowings primarily consist of floating rate debt, which means that changes in market interest rates will lead to fluctuations in the effective interest rate on the borrowings. As a result, there may be variability in future cash flows. The Company does not mitigate its exposure to interest rate fluctuations through the use of interest rate swap contracts.

3) Other market price risk

The Company is exposed to equity price risk due to the investments in equity securities. This is a strategic investment and is not held for trading. The Company does not actively trade in these investments as the management of the Company minimizes the risk by holding different investment portfolios.

(v) Capital management

The board's policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence, and to sustain future development of the business. Capital consists of ordinary shares, capital surplus, retained earnings and non-controlling interests. The board is responsible for overseeing the return on debt-to-equity ratio and simultaneously controls the level of dividends on ordinary shares.

As of December 31, 2025, the Company's capital management strategy remained consistent with that of the prior year, December 31, 2024. The Company's debt-to-equity ratios at the end of the reporting period as of December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Total liabilities	\$ 9,019,166	8,499,656
Less: cash and cash equivalents	(649,527)	(855,566)
Net debt	<u>\$ 8,369,639</u>	<u>7,644,090</u>
Total equity	<u>\$ 12,858,221</u>	<u>12,679,557</u>
Debt-to-equity ratio	<u>65.09 %</u>	<u>60.29 %</u>

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(w) Investing and financing activities not affecting current cash flow

	January 1,2025	Cash flows	Lease payment change	December 31, 2025
Long-term borrowings (including current portion)	\$ 4,095,213	846,816	-	4,942,029
Short-term borrowings	-	120,000	-	120,000
Lease liabilities	75,468	(53,720)	29,947	51,695
Guarantee deposits received	7,567	-	-	7,567
Total liabilities from financing activities	<u>\$ 4,178,248</u>	<u>913,096</u>	<u>29,947</u>	<u>5,121,291</u>

	January 1,2024	Cash flows	Lease payment change	December 31, 2024
Long-term borrowings (including current portion)	\$ 4,669,320	(574,107)	-	4,095,213
Short-term borrowings	420,000	(420,000)	-	-
Lease liabilities	243,740	(53,478)	(114,794)	75,468
Guarantee deposits received	7,567	-	-	7,567
Total liabilities from financing activities	<u>\$ 5,340,627</u>	<u>(1,047,585)</u>	<u>(114,794)</u>	<u>4,178,248</u>

(7) Related-party transactions

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Unitech Electronics International Limited (Unitech BVI)	The subsidiary of The Company
Da Tai investment Company	The subsidiary of The Company
Unitech Electronics International Limited (Unitech HK)	The subsidiary of The Company
Shanghai Unitech Electronics (Nantong) Co., Ltd	The subsidiary of The Company
Unitech PBC (THAILAND) CO., LTD. (Unitech Thailand)	The subsidiary of The Company
CHANG, YUAN-MING	President of the company
Fulltech Fiber Glass Corp.	An associate
Ideal Bike Corporation	The entity's president is the second immediate family of the president of the Company
Unitech Printed Circuit Humanities and Education Foundation	The entity's president is the first immediate family of the president of the Company
Taiwan Environmental Sustainable Development Foundation	The entity's president is the first immediate family of the president of the Company

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

<u>Name of related party</u>	<u>Relationship with the Group</u>
Taiwan Printed Circuit Board Association	The entity's chairman is the president of the Company

(b) Significant transactions with related parties

(i) The sales and receivables from parties were as follow:

	<u>Sales</u>		<u>Receivables-related parties</u>	
	<u>2025</u>	<u>2024</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Subsidiary	\$ <u>7,083</u>	<u>52,150</u>	<u>5,233</u>	<u>9,793</u>

The payment term offered to related parties is 120 days after the end of the next month, while 30 days to 120 days after month end for the general customers. The prices of the goods sold by the Company to related parties were not significantly different from those of other customers.

(ii) Purchase

The payables to related parties were as follows:

	<u>Purchase</u>		<u>Payables-related parties</u>	
	<u>2025</u>	<u>2024</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Shanghai Unitech Electronics (Nantong) Co., Ltd	\$ <u>3,592,959</u>	<u>3,719,185</u>	<u>1,217,659</u>	<u>1,231,857</u>

The payment condition to related-parties for the Company is on the basis of their capital. In general, the payment terms of vendors were approximately 90 days. Since the Company did not purchase the identical merchandise from other vendors, price of transactions do not have comparison basis.

(iii) Disposals of property, plant and equipment

As of December 31, 2025, the Company sold machinery and equipment to its subsidiary for a total price of \$74,819 thousand, resulting in an outstanding balance of \$74,819 thousand, recognized as other receivables – related parties, which has yet to be paid as of the reporting date. For further details on real estate, plant and equipment, please refer to Note 6 (f).

(iv) Cash capital increase in a subsidiary

For the years ended December 31, 2025 and 2024, the Company participated in the cash capital increases of its subsidiary, Unitech Thailand, in the amounts of \$1,577,264 thousand (THB\$1,660,000 thousand) and \$391,808 thousand (THB\$424,700 thousand), respectively.

(v) Acquisition of financial assets

In June 2024, the Company participated in the cash capital increase of Ideal Bike Corporation by subscribing shares in proportion to its original shareholding, at a total amount of \$19,833 thousand, classified as financial assets at fair value through other comprehensive income non-current.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(vi) Loans and guarantee to Related Parties

For the years ended December 31, 2025 and 2024, the president had provided a guarantee for loans to the Company.

As of December 31, 2025 and 2024, the Company made the endorsement guarantee for its subsidiaries which borrowed money from the financial institution, the amount were \$1,755,618 thousand and \$1,490,208 thousand, respectively.

(vii) Other

- 1) As of December 31, 2025 and 2024, other receivables raised due to collection and payment and various expense between the Company and related parties were \$666 thousand and \$663 thousand, respectively, which were recognized other receivables-related parties. Other payables raised due to various expense between the Company and subsidiaries were \$668 thousand and \$1,550 thousand, respectively, which were recognized other payables-related parties.

- 2) Donations

	2025	2024
Unitech Printed Circuit Humanities and Education Foundation	\$ 4,000	3,000
Other related parties	454	300
Total	\$ 4,454	3,300

The Company's donations to related parties were recognized "selling expenses and administrative expenses".

- 3) Lease

From August 2024, the Company leased an open office space to its subsidiary. For the years ended December 31, 2025 and 2024, the Company recognized the rental income of \$12 thousand and \$4 thousand. As of December 31, 2025 and 2024, rent received in advance of \$1 thousand was recorded under "Other current liabilities".

(c) Key management personnel compensation

Key management personnel compensation comprised:

	2025	2024
Short-term employee benefits	\$ 71,305	96,809
Post-employment benefits	-	23,530
Total	\$ 71,305	120,339

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(8) Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2025	December 31, 2024
Land	Short-term and long-term borrowings	\$ 1,175,550	1,175,550
Building and constructions	Short-term and long-term borrowings	1,620,282	1,667,046
Machinery equipments	Long-term borrowings	1,363,894	1,739,119
Certificate of deposit (Note 1)	Bureau of Customs' endorsement	16,800	16,800
		<u><u>\$ 4,176,526</u></u>	<u><u>4,598,515</u></u>

(Note1) Classified into the account of "Refundable deposits".

(9) Significant commitments and contingencies:

- (a) As of December 31, 2025 and 2024, the machinery and equipment agreement entered by the Company had the material amounts of \$352,319 thousand and \$281,067 thousand, respectively; of which, the payments of \$207,939 thousand and \$178,507 thousand, respectively.
- (b) The Company's outstanding standby letter of credit were as follows:

	(in thousand)	
	December 31, 2025	December 31, 2024
USD	\$ <u>5</u>	<u>145</u>
JPY	\$ <u>13,700</u>	<u>15,450</u>
EUR	\$ <u>40</u>	<u>-</u>

(10) Losses Due to Major Disasters:None

(11) Subsequent Events:None

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(12) Other:

- (a) A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By item	2025			2024		
	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	2,765,040	550,401	3,315,441	2,854,878	687,093	3,541,971
Labor and health insurance	279,482	46,803	326,285	269,195	42,478	311,673
Pension	114,452	26,454	140,906	111,998	25,213	137,211
Remuneration of directors	-	10,485	10,485	-	22,529	22,529
Others	90,448	43,368	133,816	87,664	46,310	133,974
Depreciation	918,842	70,191	989,033	970,663	69,384	1,040,047
Amortization	3,286	25,193	28,479	4,530	23,688	28,218

The extra information for number of employee and expense of employee benefit for the Company were as follows:

	2025	2024
Number of employees	<u>4,493</u>	<u>4,572</u>
Number of directors who were not employees	<u>5</u>	<u>5</u>
The average employee benefit	<u>\$ 873</u>	<u>903</u>
The average salaries and wages	<u>\$ 739</u>	<u>776</u>
Adjustment of Average salary expenses	<u>(4.77)%</u>	<u>21.25 %</u>

The salary payment policy (including directors, managers and employees) for the Company was as follow:

- (i) The salary payment policy, standard, portfolio and the procedure of payment regulation are on the basis of the Company's Human Resources regulation to execute. As for the profit allocation of director's and supervision's remuneration, the Company will firstly do the salary provision according to the Article of Association, and then resolution by remuneration committee. After those procedure, the profit allocation will have the approval form the Board and will be reported on the shareholder's meeting.
- (ii) The relationship between remuneration payment and operating performance is positive, and will pay reasonably after the Company do the operating risk evaluation.

(Continued)

Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Company:

(i) Loans to other parties:

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 2)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (Note 1)	Maximum limit of fund financing (Note 1)
													Item	Value		
1	Shanghai Unitech Electronics Co., Ltd.	Shanghai Unitech Electronics (Nantong) Co., Ltd.	Other receivable s-related parties	Yes	192,066	94,416	94,416	2.8	2	-	General operating and return the loan	-	-	-	3,965,125	3,965,125

Note 1: The total amount available for loan of the Company shall not exceed 20% of its net worth; and the individual amount available for loan shall not exceed 10% of the Company’s net worth. For a subsidiary who, directly or indirectly, holds the entire shares of a foreign subsidiary, the maximum amount available for loan should not exceed the net worth of subsidiary which is lender.

Note 2: The methods of capital loan and nature are as follows:

- (1) Fill in 1 for those who have business dealings.
- (2) Fill in 2 if there is a need for short-term financing.

(ii) Guarantees and endorsements for other parties:

No. (Note1)	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note3 and 5)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 4 and 6)	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note2)										
0	The Company	Shanghai Unitech Electronics (Nantong) Co., Ltd.	2	6,398,732	1,667,596	1,272,368	577,736	-	9.90 %	10,286,577	Y	N	Y
0	The Company	Unitech PCB(Thailand) Co., LTD	2	6,398,732	483,250	483,250	-	-	3.76 %	10,286,577	Y	N	N

Note1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (a) The Company is ‘0’.
- (b) The subsidiaries are numbered in order starting from ‘1’.

Note2: 7 forms of relationships in which corporate guarantees exist are defined as follows:

- (a) Entities have business relations with Company.
- (b) The Company directly or indirectly holds more than 50% of voting shares of its subsidiaries.
- (c) Investees directly or indirectly own more than 50% of voting shares of the Company.
- (d) The Company directly or indirectly holds 90% of voting shares of its subsidiaries.
- (e) Entities have construction contract agreements with the Company.
- (f) The reason for the Company jointly invested in the entities is to provide proportionate endorsements.
- (g) The Company has contractual pre-sold house agreements with its related parties under the Consumer Protection Law.

Note3: The Company’s aggregate amount allows endorsement or guarantee that does not exceed 50% of its net worth in December 31, 2025.

Note4: The Company’s aggregate amount allows endorsement or guarantee that does not exceed 80% of its net worth in December 31, 2025.

Note5: The Subsidiaries aggregate amount to one company allows endorsement or guarantee that does not exceed 100% of its net worth in December 31, 2025.

Note6: The Subsidiaries aggregate total amount allows endorsement or guarantee that does not exceed 200% of its net worth in December 31, 2025.

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Unitech Printed Circuit Board Corporation

Notes to the Financial Statements

(iii) Material securities held as of December 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(Thousand Shares)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Ideal Bike Corporation	Related party	Financial assets at fair value through other comprehensive income non-current	36,254	217,522	11.10 %	217,522	-
DA-TAI Investment Co., Ltd.	ANCAD INC	-	"	26	-	2.02 %	-	-
DA-TAI Investment Co., Ltd.	Taiwan First Biotechnology Corporation	-	"	5,306	93,015	3.00 %	93,015	-
DA-TAI Investment Co., Ltd.	Fubon Money Market Fund	-	Current financial assets at fair value through profit or loss	1,471	23,102	-	23,102	-

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

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Shanghai Unitech Electronics (Nantong) Co., Ltd.	Subsidiary	Purchase	3,592,959	43.95 %	The payment terms are based on the loose funds.	-	The payment terms are based on the loose funds.	(1,217,659)	(46.02)%	-
Shanghai Unitech Electronics (Nantong) Co., Ltd.	The Company	The Parent company	Sale	(3,592,959)	(73.87)%	The collection terms are based on the loose funds.	-	The collection terms are based on the loose funds.	1,217,659	71.33%	-

(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Shanghai Unitech Electronics (Nantong) Co., Ltd.	The Company	The Parent company	Accounts receivable-related party 1,217,659	2.93	-	-	293,940 (USD9,339 thousand) (CNY2,470 thousand)	-
Shanghai Unitech Electronics Co., Ltd.	Shanghai Unitech Electronics (Nantong) Co., Ltd.	Subsidiary	Accounts receivable-related party-other 101,000	-	-	-	7,166 (CNY1,587 thousand)	-

(b) Information on investees:

The following is the information on investees for the year 2025 (excluding information on investees in Mainland China):

(Thousand Shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
The Company	Unitech BVI	British Virgin Islands	Reinvestment	2,793,183	2,793,183	4.34	100.00 %	4,732,599	230,191	234,262	-
The Company	DA-TAI Investment Co., Ltd.	Taipei	General investment	820,019	820,019	82,000	100.00 %	1,464,697	99,614	99,614	-
The Company	Unitech Thailand	Thailand	Manufacturing and sale of PCB	2,036,341	459,077	21,600	100.00 %	2,148,218	(12,934)	(8,076)	Note 1
The Company	Unitech HK	Hong Kong	Reinvestment	153,980	153,980	5,000	6.10 %	269,141	245,311	14,958	-
DA-TAI Investment Co., Ltd.	Fulltech Fiber Glass Corp.	Taipei	Manufacturing of glass and glass products	600,684	600,684	60,655	10.37 %	1,348,236	856,541	99,078	-
Unitech BVI	Unitech HK	Hong Kong	Reinvestment	2,480,927	2,480,927	77,000	93.90 %	4,735,157	245,311	230,353	-

Note 1: The company increased the capital to Unitech Thailand THB 1,660,000 thousand in 2025.

(Continued)

Unitech Printed Circuit Board Corporation
Notes to the Financial Statements

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Shanghai Unitech Electronics Co., Ltd.	Manufacturing and sale of PCB	2,474,777	(2)	2,480,927	-	-	2,480,927	193,485	100.00%	193,485	3,965,125	-
Shanghai Unitech Electronics (Nantong) Co., Ltd.	Manufacturing and sale of PCB	4,486,960	(3)	937,800 (Note3)	-	-	937,800	243,597	100.00%	243,597	4,885,157	-

(ii) Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of December 31, 2025 (Note4)	Investment Amounts Authorized by Investment Commission, MOEA (Note4)	Upper Limit on Investment (Note5)
The Company	3,925,481 (USD 124,896 thousand)	3,925,481 (USD 124,896 thousand)	7,714,933

Note1: Investments are made through one of three ways:
(1) Direct investment from Mainland China
(2) Indirect investment from third-party country
(3) Others
Note2: The recognition of gain and loss on investment based on the audit financial report which was assured by R.O.C. Accountant.
Note3: The amount includes the capitalization of retained earnings amounting to USD27,000 thousand.
Note4: As of December 31, 2025, exchange rate USD/NTD 1:31.43
Note5: Calculated based on 60% of the Company’s net worth.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China for the year ended December 31, 2025, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

(14) Segment information:

Please refer to 2025 Consolidated Financial Statements.

Unitech Printed Circuit Board Corporation
Statement of cash and cash equivalents
December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Cash in stock		\$ 560
Demand deposits and checking accounts		82,709
Foreign currency deposits	USD \$11,283 thousand, exchange rate 31.430	354,634
	EUR \$17 , exchange rate 36.90	1
	JYP \$666 thousand, exchange rate 0.2008	134
	CNY \$6,442 thousand, exchange rate 4.496	28,965
	THB \$230 thousand, exchange rate 1.0019	230
Time deposits	USD \$5,800 thousand, exchange rate 31.430 (due to January 12, 2026, interest rate: 4%~4.3%)	182,294
Total		<u><u>\$ 649,527</u></u>

Statement of trade receivables

Item	Amount
Non Related-parties:	
A5800	\$ 612,100
D3200	411,417
A1800	507,794
S6800	326,616
A9000	178,039
Others (all of them were less than 5%)	<u>1,415,002</u>
Subtotal	3,450,968
Less: Loss allowance	<u>(22,886)</u>
Net value	<u><u>\$ 3,428,082</u></u>

Unitech Printed Circuit Board Corporation
Statement of inventories
December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

Item	Amount		Remark
	Cost	Net realizable value	
Raw materials and supplies	\$ 255,554	268,826	adopted replacement cost
Work in Progress	1,183,374	1,398,592	adopted net realizable value
Finished goods	731,752	913,412	"
Merchandise inventory	<u>356,061</u>	<u>378,724</u>	"
Subtotal	2,526,741	<u><u>2,959,554</u></u>	
Less: Allowance to reduce inventory to market value	<u>(121,667)</u>		
Total	<u><u>\$ 2,405,074</u></u>		

Unitech Printed Circuit Board Corporation
Statement of financial assets measured at fair value through other
comprehensive income - non-current
For the year ended December 31, 2025
(Expressed in thousands of New Taiwan Dollars and Shares)

<u>Item</u>	<u>January 1,2025</u>		<u>Addition</u>		<u>Decrease</u>		<u>Disposal</u>	<u>Evaluation</u>	<u>December 31, 2025</u>		<u>Endorsement or Pledge</u>	<u>Remark</u>
	<u>Number of shares</u>	<u>Fair value</u>	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>			<u>Number of shares</u>	<u>Fair value</u>		
Non-current:												
Ideal Bike Corporation	36,254	\$ <u><u>295,830</u></u>	-	<u><u>-</u></u>	-	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(78,308)</u></u>	36,254	<u><u>217,522</u></u>	No	-

Unitech Printed Circuit Board Corporation

Statement of changes in investments accounted for using the equity method

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars and Shares)

Investee	January 1, 2025		Addition		Deductions		Investment accounted under the equity method	Others	Cumulative translation adjustment	Cash Dividend	December 31, 2025			Endorsement or Pledge
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount					Name of shares	Shareholding ratio(%)	Amount	
Valuation accounted for equity method:														
Unitech Electronics International Limited (BVI)	4.34	\$ 4,581,379	-	-	-	-	234,262	-	(83,042)	-	4.34	100.00	4,732,599	No
Da Tai Investment Company	82,000	1,080,522	-	-	-	-	99,614	288,941	(4,380)	-	82,000	100.00	1,464,697	No
UNITECH PCB (THAILAND) CO.,LTD.	5,000	481,034	16,600	1,577,264	-	-	(8,076)	-	97,996	-	21,600	100.00	2,148,218	No
Unitech Electronics International Limited (HK)	5,000	257,913	-	-	-	-	14,958	-	(3,730)	-	5,000	6.10	269,141	No
		\$ 6,400,848		1,577,264		-	340,758	288,941	6,844	-			8,614,655	

Unitech Printed Circuit Board Corporation
Statement of trade payables
December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>
Non related-parties:	
Elite Materil Co., Ltd.	\$ 175,505
Lin Horn Technology Co., Ltd	96,774
Atotech Taiwan Limited Corp.	92,228
Others (all of them were less than 5%)	<u>1,043,191</u>
Subtotal	1,407,698
Less: loss on exchange rate	<u>20,364</u>
Total	<u><u>\$ 1,428,062</u></u>

Statement of other payables

<u>Item</u>	<u>Amount</u>
Salary payables	\$ 464,815
Equipment payables	134,870
Others (all of them were less than 5%)	<u>344,014</u>
Total	<u><u>\$ 943,699</u></u>

Unitech Printed Circuit Board Corporation
Statement of long-term borrowings
December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount of borrowings</u>		<u>Contract Period</u>	<u>Pledges or collaterals</u>
	<u>Current portion</u>	<u>Non-current portion</u>		
Bank of Taiwan Syndicated	600,000	1,414,000	2028.04	Land, Buildings and Facilities
Taiwan Cooperative Bank Syndicated	-	250,000	2030.09	No
Bank of Taiwan Syndicated	-	500,000	2031.12	No
Chang Hwa Commercial Bank	22,264	276,445	2039.05	Land
Chang Hwa Commercial Bank	395,040	-	2026.05	No
Taipei Fubon Bank	20,000	180,000	2030.01	No
Mega International Commercial Bank	111,080	-	2026.12	Land and Buildings
Mega International Commercial Bank	66,800	166,400	2029.03	Land and Buildings
Mega International Commercial Bank	22,300	177,700	2030.11	Land and Buildings
Shin Kong Commercial Bank	93,000	429,500	2027.03	Land and Buildings
Shin Kong Commercial Bank	7,000	20,500	2027.03	No
Cota Commercial Bank	50,000	-	2026.07	No
CTBC Bank	-	140,000	2027.02	No
Total	<u>\$ 1,387,484</u>	<u>3,554,545</u>		

Note: The interest interval is between 1.90%~2.82%.

Unitech Printed Circuit Board Corporation
Statement of operating revenue
For the year ended December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Quantity (Unit: sq ft)</u>	<u>Amount</u>
Layer of 2 HDI	259.00	\$ 208,876
Layer of 4 HDI	2,301.00	1,043,749
Layer of 6 HDI	1,772.00	1,858,182
Layer of 8 HDI	2,596.00	3,914,467
More than 10 Layers	2,209.00	7,907,499
Others	-	25,390
Net sales		<u><u>\$ 14,958,163</u></u>

Summary of operating expenses

<u>Item</u>	<u>Amount</u>
Selling expenses and administrative expenses:	
Salary expenses	\$ 542,088
Miscellaneous expenses	135,031
Commissions expenses	177,337
Others (all of them were less than 5%)	<u>513,998</u>
Subtotal	1,368,454
Research and development expenses	69,744
Expected credit loss (gain)	<u>(1,168)</u>
Total	<u><u>\$ 1,437,030</u></u>

Unitech Printed Circuit Board Corporation
Statement of operating costs
For the year ended December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>
Direct raw material	
Balance, beginning of year	\$ 117,696
Add: purchased	2,164,769
Less: transferred to manufacturing expenses	(14,483)
direct raw material, end of year	<u>(140,897)</u>
Direct raw material used	<u>2,127,085</u>
Indirect raw material	
Balance, beginning of year	111,813
Add: purchased	2,123,978
Less: transferred to manufacturing expenses	(387,666)
indirect raw material, end of year	<u>(114,657)</u>
Indirect raw material used	<u>1,733,468</u>
Direct labor	2,292,787
Manufacturing expenses	<u>3,903,999</u>
Manufacturing cost	<u>10,057,339</u>
Add: work in process, beginning of year	1,132,669
Less: work in process, end of year	(1,183,374)
transferred to research and development expenses	(16,416)
other	<u>(60,517)</u>
Cost of finished goods	<u>9,929,701</u>
Add: finished goods, beginning of year	235,678
finished goods(warehouse), beginning of year	340,787
Less: finished goods, end of year	(289,999)
finished goods(warehouse), end of year	(441,753)
other	<u>(1,464)</u>
Cost of goods sold-finished goods	<u>9,772,950</u>
Merchandise, beginning of the year	240,291
Add: purchased	3,894,377
merchandise, end of the year	<u>(356,061)</u>
Cost of merchandise sold	<u>3,778,607</u>
Add: Loss on valuation of inventories	7,273
Less: Advertisement expense and sample expenses	(27,801)
revenue from sales of scraps	<u>(243,634)</u>
Cost of sales	<u><u>\$ 13,287,395</u></u>

Statement of change in cost and accumulated depreciation of property, plant and equipment refer to note 6(f).

Statement of change in cost and accumulated depreciation of right-of-use assets refer to note 6(g).

Statement of change in cost and accumulated amortization of intangible assets refer to note 6(h).