Stock Code:2382

QUANTA COMPUTER INC.

PARENT COMPANY ONLY FINANCIAL STATEMENTS

With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024

Address: **No.188, Wenhua 2nd Rd., Guishan Dist., Taoyuan City, Taiwan, R.O.C.**
Telephone: **(03)327-2345**

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.

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Report	3
4. Statements of Financial Position	4
5. Statements of Comprehensive Income	5
6. Statements of Changes in Equity	6
7. Statements of Cash Flows	7
8. Notes to the Financial Statements	
(1)Overview	8
(2)Financial Statements Authorization Date and Authorization Process	8
(3)New Standards, Amendments and Interpretations Adopted	8～10
(4)Summary of Material Accounting Policies	10～26
(5)Major Sources of Significant Accounting Assumptions, Judgments and Estimation Uncertainties	26
(6)Explanation of Significant Accounts	26～67
(7)Related Party Transactions	67～73
(8)Assets Pledged as Security	73
(9)Significant Commitments and Contingencies	73
(10)Losses Due to Major Disasters	73
(11)Subsequent Events	74
(12)Others	74～76
(13)Other Disclosures	
i) Information on significant transactions	76～83
ii) Information on investees	83～85
iii) Information on investment in mainland China	86～88
(14)Segment Information	88
9. List of Major Account Items	89～102

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電　話 Tel + 886 2 8101 6666
傳　真 Fax + 886 2 8101 6667
網　址 Web kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Quanta Computer Inc.:

Opinion

We have audited the financial statements of Quanta Computer Inc.("the Company"), which comprise the statements of financial position 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, 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Revenue Recognition**

   For accounting policies of revenue recognition, please refer to Note (4)(n) on revenue recognition in the parent Company only financial statement; for the explanation of recognition, please refer to Note (6)(s) in the parent Company only financial statement.

   Description of the key audit matter:

   The Company engages primarily in the manufacturing, processing, and sales of laptop computers and cloud-computing server related products. Varying transaction terms will cause different timing for control of products' being transferred. Therefore, the timing for revenue recognition has been identified as a key audit matter.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

How the matter was addressed in our audit:

In relation to the key audit matter above, our key audit procedures include understanding the Company's main sources of revenues, contract provisions, and transaction terms to evaluate the adequacy of the timing of revenue recognition; testing the control methods for the procedures related to the shipment operation and revenue recognition under the internal control of the Company; selecting the shipments of the Company in the period around the balance sheet date and checking the certificates and forms to confirm whether the sales revenue is recognized in the appropriate period in the financial statements.

2. **Allowance for Inventory Valuation and Obsolescence Losses**

Please refer to Note (4)(g), Note (5), and Note (6)(f) for accounting policies, accounting assumptions and estimation uncertainty, and related disclosure information for inventory, respectively.

Description of the key audit matter:

Inventories are stated at the lower of cost or net realizable value. With the rapid development of technology, the advance of new electronic products may significantly change consumer demands, which leads to product obsolescence that may result in the cost of inventory to be higher than the net realizable value, and the net realizable value relates to the management judgement. Consequently, the valuation of inventories has been identified as a key audit matter.

How the matter was addressed in our audit:

In relation to the key audit matter above, our key audit procedures include understanding the Company's inventory write-down policy, evaluating the reasonableness of the methods and assumptions used for inventory write-downs, obtaining detailed calculations of inventory write-downs and verifying their consistency with accounting records, re-evaluating the write-downs according to the Company's policy, reviewing the calculation logic of the inventory aging report and verifying its accuracy, understanding the sales prices used by management for inventory valuation, and sampling relevant transaction documents to assess the reasonableness of the net realizable value of inventory.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only 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 Parent Company Only 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 the 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 Wu,Tsao-Jen and Lien, Shu-Ling.

KPMG

Taipei, Taiwan (Republic of China)
February 26, 2026

Notes to Readers

The accompanying parent company only financial statements are intended only to present the statement of financial position, financial performance and 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.

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.

(ENGLISH TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUDED IN CHINESE)

QUANTA COMPUTER INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		December 31, 2025		December 31, 2024	
	ASSETS	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Notes (4) and (6)(a))	$ 31,201,457	3	64,390,081	9
1110	Current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	12,836,250	1	26,623,485	4
1120	Current financial assets at fair value through other comprehensive income (Notes (4) and (6)(c))	4,350,517	-	5,202,863	-
1170	Accounts receivable, net (Notes (4) and (6)(d))	239,076,051	23	215,459,172	31
1180	Accounts receivable due from related parties, net (Notes (4), (6)(d) and (7))	408,030,404	40	131,712,501	19
1200	Other receivables, net (Notes (4) and (6)(e))	227,078	-	285,497	-
1210	Other receivables due from related parties, net (Notes (4), (6)(e) and (7))	3,560,560	-	2,964,587	-
1310	Inventories (Notes (4) and (6)(f))	123,133,214	12	60,588,305	9
1479	Other current assets, others	1,416,099	-	888,178	-
		823,831,630	79	508,114,669	72
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	2,431,163	-	1,266,551	-
1517	Non-current financial assets at fair value through other comprehensive income (Notes (4) and (6)(c))	7,816,942	1	2,850,463	-
1550	Investments accounted for using equity method (Notes (4) and (6)(g))	95,511,132	9	87,472,050	12
1600	Property, plant and equipment (Notes (4) and (6)(h))	19,582,769	2	18,990,606	3
1755	Right-of-use assets (Notes (4) and (6)(i))	197,135	-	193,088	-
1780	Intangible assets (Notes (4) and (6)(j))	206,859	-	105,006	-
1840	Deferred tax assets (Notes (4) and (6)(p))	10,333,697	1	6,910,363	1
1942	Long-term receivable due from related parties (Notes (4), (6)(e) and (7))	75,577,679	8	78,627,107	12
1980	Other non-current financial assets (Note (8))	739,718	-	465,119	-
1995	Other non-current assets, others	3,362	-	4,299	-
		212,400,456	21	196,884,652	28
	TOTAL ASSETS	**$ 1,036,232,086**	**100**	**704,999,321**	**100**

		December 31, 2025		December 31, 2024	
	LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Notes (4) and (6)(k))	$ 195,875,749	19	107,875,065	15
2130	Current contract liabilities (Notes (4), (6)(s) and (7))	104,691,202	10	87,523,712	12
2170	Accounts payable	169,219,783	16	77,445,109	11
2180	Accounts payable to related parties (Note (7))	124,365,539	12	63,208,877	9
2219	Other payables (Note (7))	84,881,312	8	66,083,531	10
2230	Current tax liabilities	16,886,740	2	9,607,098	1
2280	Current lease liabilities (Notes (4) and (6)(n))	114,184	-	92,789	-
2305	Other current financial liabilities	22,383,013	2	14,169,002	2
2320	Long-term liabilities, current portion (Note (6)(l))	888,350	-	6,736,117	1
2365	Current refund liabilities	5,656,736	1	5,666,991	1
2399	Other current liabilities, others	761,603	-	908,391	-
		725,724,211	70	439,316,682	62
	Non-Current liabilities:				
2500	Non-current financial liabilities at fair value through profit or loss (Notes (4), (6)(b) and (6)(m))	710,899	-	371,838	-
2530	Bonds payable (Notes (4) and (6)(m))	56,578,932	5	28,784,239	4
2540	Long-term borrowings (Note (6)(l))	-	-	5,806,100	1
2570	Deferred tax liabilities (Notes (4) and (6)(p))	9,390,992	1	8,151,411	1
2580	Non-current lease liabilities (Notes (4) and (6)(n))	85,111	-	101,888	-
2640	Net defined benefit liability, non-current (Notes (4) and (6)(o))	129,289	-	136,560	-
2650	Credit balance of investments accounted for using equity method (Notes (4) and (6)(g))	-	-	6,719	-
2670	Other non-current liabilities, others	35,623	-	38,091	-
		66,930,846	6	43,396,846	6
	Total liabilities	792,655,057	76	482,713,528	68
	Equity (Note (6)(q)):				
3100	Share capital	38,626,274	4	38,626,274	5
3200	Capital surplus	21,155,830	2	17,309,328	3
3300	Retained earnings	185,322,339	18	160,445,670	23
3400	Other equity	(1,194,320)	-	6,237,615	1
3500	Treasury shares	(333,094)	-	(333,094)	-
	Total equity	243,577,029	24	222,285,793	32
	TOTAL LIABILITIES AND EQUITY	**$ 1,036,232,086**	**100**	**704,999,321**	**100**

See accompanying notes to financial statements.

(ENGLISH TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

QUANTA COMPUTER INC.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		For the Years Ended December 31,			
		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenue (Notes (6)(s) and (7))**	$ 1,692,849,026	100	1,217,134,739	100
5000	**Operating costs (Note (6)(f))**	1,552,657,153	92	1,118,951,412	92
	Gross profit from operations	140,191,873	8	98,183,327	8
5910	Less: Unrealized profit from sales	15,188,231	-	7,051,316	1
5920	Add: Realized profit from sales	7,051,316	-	1,028,847	-
		132,054,958	8	92,160,858	7
	Operating expenses:				
6100	Selling expenses	12,880,246	1	8,740,507	1
6200	General and administrative expenses	6,431,004	-	5,665,890	-
6300	Research and development expenses	32,422,497	2	24,267,649	2
		51,733,747	3	38,674,046	3
	Net operating income	80,321,211	5	53,486,812	4
	Non-operating income and expenses:				
7100	Interest income (Notes (6)(u) and (7))	1,389,697	-	1,400,176	-
7010	Other income (Note (6)(u))	241,345	-	480,747	-
7020	Other gains and losses, net (Notes (6)(u) and (7))	9,956,996	1	7,335,835	1
7050	Financial costs (Note (6)(u))	(5,904,376)	-	(4,616,298)	-
7060	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (Note (6)(g))	6,141,674	-	12,852,781	1
		11,825,336	1	17,453,241	2
7900	**Profit before tax**	92,146,547	6	70,940,053	6
7950	**Less: Tax expenses (Note (6)(p))**	17,158,847	1	11,238,256	1
	Profit	74,987,700	5	59,701,797	5
	Other comprehensive income (loss):				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Gains (losses) on remeasurement of defined benefit plans	(17,230)	-	140,634	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	1,188,495	-	(1,040,846)	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will not be reclassified to profit or loss (Note (6)(g))	92,523	-	(143,706)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(3,446)	-	28,127	-
	Total components of other comprehensive income (loss) that will not be reclassified to profit or loss	1,267,234	-	(1,072,045)	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(8,561,897)	(1)	9,102,981	1
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will be reclassified to profit and loss (Note (6)(g))	(33,937)	-	96,083	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	196	-	984	-
	Total components of other comprehensive (loss) income that will be reclassified to profit or loss	(8,596,030)	(1)	9,198,080	1
	Other comprehensive (loss) income net of income tax	(7,328,796)	(1)	8,126,035	1
8500	**Total comprehensive income**	**$ 67,658,904**	**4**	**67,827,832**	**6**
	Earnings per share (Note (6)(r))				
9750	**Basic earnings per share (NT dollars)**	**$**	**19.45**		**15.49**
9850	**Diluted earnings per share (NT dollars)**	**$**	**18.91**		**15.32**

See accompanying notes to financial statements.

(ENGLISH TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

QUANTA COMPUTER INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Share Capital		Retained Earnings			Other Equity			
	Ordinary Share	Capital Surplus	Legal Reserve	Special 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	Treasury Shares	Total Equity
Balance as of January 1, 2024	$ 38,626,274	14,294,831	43,621,693	2,121,865	89,658,998	5,685,783	(7,469,239)	(333,094)	186,207,111
Profit	-	-	-	-	59,701,797	-	-	-	59,701,797
Other comprehensive income (loss)	-	-	-	-	116,279	9,198,080	(1,188,324)	-	8,126,035
Total comprehensive income (loss)	-	-	-	-	59,818,076	9,198,080	(1,188,324)	-	67,827,832
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	3,981,566	-	(3,981,566)	-	-	-	-
Reversal of special reserve	-	-	-	(338,409)	338,409	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(34,763,647)	-	-	-	(34,763,647)
Other changes in capital surplus:									
Changes in equity of subsidiaries and associates accounted for using equity method	-	8,201	-	-	-	-	-	-	8,201
Issue of convertible bonds	-	2,887,623	-	-	-	-	-	-	2,887,623
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	72,980	-	-	-	-	-	-	72,980
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	45,693	-	-	-	-	-	-	45,693
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(11,315)	-	11,315	-	-
Balance as of December 31, 2024	38,626,274	17,309,328	47,603,259	1,783,456	111,058,955	14,883,863	(8,646,248)	(333,094)	222,285,793
Profit	-	-	-	-	74,987,700	-	-	-	74,987,700
Other comprehensive income (loss)	-	-	-	-	(13,846)	(8,596,030)	1,281,080	-	(7,328,796)
Total comprehensive income (loss)	-	-	-	-	74,973,854	(8,596,030)	1,281,080	-	67,658,904
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	5,980,676	-	(5,980,676)	-	-	-	-
Reversal of special reserve	-	-	-	(1,783,456)	1,783,456	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(50,214,156)	-	-	-	(50,214,156)
Other changes in capital surplus:									
Changes in equity of subsidiaries and associates accounted for using equity method	-	3,686	-	-	-	-	-	-	3,686
Changes in other capital surplus	-	25	-	-	-	-	-	-	25
Issue of convertible bonds	-	2,748,482	-	-	-	-	-	-	2,748,482
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	105,415	-	-	-	-	-	-	105,415
Disposal of subsidiaries or investments accounted for using equity method	-	-	-	-	136	-	(136)	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	36,543	-	-	-	-	-	-	36,543
Changes in ownership interests in subsidiaries	-	952,351	-	-	(11)	79	(82)	-	952,337
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	116,846	-	(116,846)	-	-
Balance as of December 31, 2025	**$ 38,626,274**	**21,155,830**	**53,583,935**	**-**	**131,738,404**	**6,287,912**	**(7,482,232)**	**(333,094)**	**243,577,029**

See accompanying notes to financial statements.

(ENGLISH TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

QUANTA COMPUTER INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	For the Years Ended December 31,	
	2025	2024
Cash flows from operating activities:		
Profit before tax	$ 92,146,547	70,940,053
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	2,462,626	2,413,482
Amortization expense	100,626	65,930
Expected credit gains	(34,572)	(212,876)
Net gains on financial assets or liabilities at fair value through profit or loss	(580,375)	(116,101)
Interest expense	5,904,376	4,616,298
Interest income	(1,389,697)	(1,400,176)
Dividend income	(241,345)	(480,747)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(6,141,674)	(12,852,781)
Gains on disposal of property, plant and equipment	(33,306)	(59,923)
Property, plant and equipment transferred to expenses	(210)	(25)
(Gains) losses on disposal of investments accounted for using equity method	(214,482)	2,802
Reversal of impairment losses on non-financial assets	(5,829)	(1,470)
Unrealized (realized) loss from sales	8,136,915	6,022,469
Other adjustments	(6)	-
Total adjustments to reconcile profit	7,963,047	(2,003,118)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Accounts receivable	(299,901,837)	(129,835,419)
Other receivables	52,081	(121,582)
Other receivables due from related parties	(595,973)	20,346,286
Inventories	(62,544,909)	(19,842,929)
Other current assets	(527,921)	466,641
Total changes in operating assets	(363,518,559)	(128,987,003)
Changes in operating liabilities:		
Contract liabilities	17,167,490	8,958,013
Accounts payable	152,931,336	91,536,281
Other payables	18,192,093	14,830,536
Other financial liabilities	8,214,011	5,204,534
Other current liabilities	(157,043)	1,813,834
Net defined benefit liabilities	(24,501)	(18,959)
Total changes in operating liabilities	196,323,386	122,324,239
Total changes in operating assets and liabilities	(167,195,173)	(6,662,764)
Total adjustments	(159,232,126)	(8,665,882)
Cash (outflow) inflow generated from operations	(67,085,579)	62,274,171
Interest received	1,397,662	1,396,321
Dividends received	734,972	5,307,030
Interest paid	(4,564,088)	(4,564,751)
Income taxes paid	(12,059,708)	(7,164,108)
Net cash flows (used in) from operating activities	(81,576,741)	57,248,663

See accompanying notes to financial statements.

(ENGLISH TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN CHINESE)

QUANTA COMPUTER INC.

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	For the Years Ended December 31,	
	2025	**2024**
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(3,148,145)	(967,650)
Proceeds from disposal of financial assets at fair value through other comprehensive income	218,400	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	4,109	-
Proceeds from disposal of financial assets at fair value through profit or loss	13,571,303	3,156,616
Acquisition of investments accounted for using equity method	(13,776,703)	(8,267,872)
Proceeds from capital reduction of investments accounted for using equity method	-	12,993
Acquisition of property, plant and equipment	(2,884,118)	(1,403,590)
Proceeds from disposal of property, plant and equipment	64,419	219,332
Increase in other receivables due from related parties	(1,309,453)	(18,659,858)
Acquisition of intangible assets	(200,090)	(59,777)
(Increase) decrease in other financial assets	(274,599)	6,577
Increase in other non-current assets	(1,453)	(3,113)
Net cash flows used in investing activities	(7,736,330)	(25,966,342)
Cash flows from financing activities:		
Increase in short-term borrowings	87,726,232	6,750,190
Proceeds from issuing bonds	30,105,366	31,909,213
Proceeds from long-term borrowings	22,479,590	54,109,998
Repayments of long-term borrowings	(34,107,957)	(46,118,366)
Payments of lease liabilities	(111,136)	(108,688)
(Decrease) increase in other non-current liabilities	(2,468)	4,087
Cash dividends paid	(50,214,156)	(34,763,647)
Other financing activities	25	-
Net cash flows from financing activities	55,875,496	11,782,787
Effect of exchange rate changes on cash and cash equivalents	248,951	3,231,431
Net (decrease) increase in cash and cash equivalents	(33,188,624)	46,296,539
Cash and cash equivalents at the beginning of period	64,390,081	18,093,542
Cash and cash equivalents at the end of period	**$ 31,201,457**	**64,390,081**

See accompanying notes to financial statements.

(1) Overview

Quanta Computer Inc. (the Company) was incorporated on May 9, 1988, as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C.. The address of the Company's registered office is No. 188, Wenhua 2nd Rd., Guishan Dist., Taoyuan City, Taiwan, R.O.C.. The shares of the Company became officially listed and traded on the Taiwan Stock Exchange on January 8, 1999. The Company engages primarily in the manufacturing, processing, and sales of laptop computers and cloud-computing server related products.

(2) Financial Statements Authorization Date and Authorization Process

The parent company only financial statements were authorized for issuance by the Board of Directors on February 26, 2026.

(3) New Standards, Amendments and Interpretations Adopted:

(a) The impact of the International Financial Reporting Standards ("IFRS Accounting Standards") endorsed by the Financial Supervisory Commission, R.O.C. (FSC) 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"

(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.

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
- 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

1. Basis of measurement

The financial statements have been prepared on historical cost basis except for the following material items in the statement of financial position:

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value; and

3) The net defined benefit liabilities (assets) are measured at fair value of plan assets, net of aggregation of the present value of the defined benefit obligation, with a limit based on a defined benefit asset.

2. Functional and presentation currency

The functional currency is determined based on the primary economic environment in which the entity operates. The financial statements are presented in New Taiwan Dollar, which is the Company's functional currency. All financial information presented in New Taiwan Dollar unless otherwise specified, and has been rounded to the nearest thousand.

(c) Foreign currency

1.Foreign currency transaction

Transactions in foreign currencies are translated into the functional currencies of the Company 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:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

2.Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the reporting currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the reporting 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 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

(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 and demand 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.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) Financial instruments

Trade receivables and debt securities issued 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.

1.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; FVOCI – equity investment; or FVTPL. 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.

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)

Some trade receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling by the Company; therefore, those receivables are measured at FVOCI. However, they are included in the 'trade receivables' line item.

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 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) Business model assessment

The Company makes an assessment on the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

· the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

· how the performance of the business model and the financial assets held within the business model are evaluated and reported to the Company's management;

· the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

· how managers of the business are compensated ─ e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

· the frequency, volume and timing of sales of financial assets in prior periods, and the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

5) 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, amortized costs, notes and trade receivables, other receivables, guarantee deposit paid and other financial assets).

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

·debt securities that are determined to have low credit risk at the reporting date; and

·other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables are 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.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from any possible default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

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 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 delay or overdue;

·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.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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. 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.

6) 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.

2.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).

Shares that are held by the Company's subsidiaries are seen as identical to treasury shares.

4) Compound financial instruments

Compound financial instruments issued by the Company comprise convertible bonds that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

5) 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.

6) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. 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.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on 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.

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 significant influence.

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

The subsidiaries in which the Company holds controlling interest are accounted for under equity method in the financial statements. Under equity method, the net income, other comprehensive income and equity in the financial statement are the same as those attributable to the owners of parent in the consolidated financial statements.

The changes in ownership of the subsidiaries, but not result in the loss of control, are recognized as equity transaction.

(j) Property, plant, and equipment

1.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.

2.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.

3.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.

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

1) buildings	3 years~ 50 years
2) machinery and miscellaneous equipment	2 years~ 10 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.

1.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 Company periodically evaluate whether the right-of-use assets are impaired and recognize any related impairment loss, 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:

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

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

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Company' s estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change of its assessment on whether it will exercise an option to purchase the underlying asset; or
- there is a change in the lease term resulting from a change of its assessment on whether it will exercise an extension or termination option; or
- 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 or 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 has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery and 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.

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

2.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. The Company recognizes its lease payments received as lease income on a straight-line basis over the lease term.

(l) Intangible assets

1.Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including patents and trademarks, that are acquired by the Company with finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

2.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.

3.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) Patents	4 ~ 18 years
2) Computer software	3 years

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

(m) Impairment of non-financial assets

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

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 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 amount of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other non-financial 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) Revenue

1.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.

1) Sale of goods

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.

The Company often recognizes revenue based on the total amount if the sale according to aggregate sales of electronic components is over a 6-months period or over a 12-months period and had a discount agreement previously or its highly possible to have sales discounts in marketing experience. The Company evaluates the amount of discounts at the day of the occurrence of that fact or the date of the balance sheet, offsets sales revenue or recognizes sales allowance, and recognizes the revenue only to the extent that it is highly probable that a significant reversal will not occur. As of the reporting date, the expecting amount paid to customers relating to the unit price discounts and defects of the product is recognized as refund liabilities.

The Company' s obligation to provide a refund for faulty electronic components under the standard warranty terms is recognized as a provision for warranty.

The Company provides certain customers who buy product with an extended warranty in addition to the assurance that the product complies with agreed-upon specifications. This kind of contract contains two performance obligations and, therefore, the transaction price is allocated to each performance obligation on a relative stand-alone selling price basis. Management estimates the stand-alone selling prices at contract inception based on the observable prices at which the Company would sell the product and the extended warranty separately in similar circumstances and to similar customers. The Company recognizes revenue for the service-type warranty on a straight-line basis over the extended warranty period.

2) Services

The Company recognizes revenue from providing services in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of services provided is determined based on the services of work performed.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

3) 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.

(o) Employee benefits

1.Defined contribution plans

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

2.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.

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 or losses on the settlement of a defined benefit plan when the settlement occurs.

3.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.

(p) 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.

The Company has determined that the global minimum top-up tax – which is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

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. 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 at the reporting date and their respective tax bases. Deferred taxes are recognized except for the following:

1. 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;
2. 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
3. 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; or such reductions are reversed when the probability of future taxable profits improves.

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:

1. the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
2. 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.

(q) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary equity holders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on 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 dilutive potential ordinary shares, including employee remuneration and convertible bonds.

(r) Operating segments

The operating segment information is disclosed in the Company's consolidated financial statements; therefore, the Company does not disclose segment information in the financial statements.

(5) Major Sources of Significant Accounting Assumptions, Judgments and Estimation Uncertainties

In preparing these parent company only 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 estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is as follows:

Valuation of inventories

As inventories are stated at the lower of cost or net realizable value, the Company estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories.

(6) Explanation of Significant Accounts

(a) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand, demand deposits and checking accounts	$ 4,859	49,831
Foreign currency deposits	26,293,864	57,104,136
Time deposits	4,902,734	1,530,650
Short-term notes and bills	-	5,705,464
Cash and cash equivalents in statements of cash flows	**$ 31,201,457**	**64,390,081**

The Company' s currency risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(v).

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

	December 31, 2025	December 31, 2024
Financial assets mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Beneficiary certificates	$ 14,222,376	27,518,807
Stocks in listed companies	912,988	233,488
Stocks in unlisted companies	132,049	137,741
Financial liabilities designated at fair value through profit or loss:		
Embedded derivatives of convertible bonds	(710,899)	(371,838)
Total	**$ 14,556,514**	**27,518,198**
Current	$ 12,836,250	26,623,485
Non-current	1,720,264	894,713
	$ 14,556,514	**27,518,198**

For market risk, please refer to Note (6)(v).

As of December 31, 2025 and 2024, the aforesaid financial assets were not pledged as collateral.

(c) Financial assets at fair value through other comprehensive income

	December 31, 2025	December 31, 2024
Equity instruments at fair value through other comprehensive income:		
Stocks in listed companies	$ 7,410,969	6,211,151
Stocks in unlisted companies	370,269	538,638
Preferred stocks of unlisted companies	4,386,221	1,303,537
Total	**$ 12,167,459**	**8,053,326**

1.Preferred stocks

The foreign unlisted preferred stocks held by the Company are non-cumulative, with voting rights, and convertivle into common stocks. The conversion terms and agreed annual rates are stipulated in the respective investment agreements.

2.Equity investments at fair value through other comprehensive income

The Company designated the 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.

For the years ended December 31, 2025 and 2024, the dividends of $110,433 and $358,014, related to equity investments at fair value through other comprehensive income, were recognized.

For the year ended December 31, 2025, the Company has sold its investments in equity instruments measured at fair value through other comprehensive income. The shares sold had a fair value of $215,303. The Company has transferred the aforementioned cumulative gain on disposal of $149,200 from other equity to retained earnings.

For the years ended December 31, 2025 and 2024, which the Company liquidated certain financial assets designated as measured at fair value through other comprehensive income, receiving proceed of $3,097 and $80, respectively. At the time of liquidation, accumulated losses amounted to $32,354 and $7,630, respectively, which have been reclassified from other equity to retained earnings.

3.For market risk, please refer to Note (6)(v).

4.As of December 31, 2025 and 2024, the aforesaid financial assets were not pledged as collateral.

(d) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable-measured as amortized cost	$ 592,488,955	283,658,868
Accounts receivable-fair value through other comprehensive income	55,002,500	63,930,750
Less: Allowance for impairment	(385,000)	(417,945)
Net	**$ 647,106,455**	**347,171,673**

The Company has assessed a portion of its accounts receivable that was held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Therefore, such accounts receivable was measured at fair value through other comprehensive income.

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

	December 31, 2025		
	Accounts receivable carrying amount	Weighted-average expected credit loss rate	Allowance lifetime expected credit loss
Current	$ 642,230,947	0%~0.04%	93,779
1 to 60 days past due	5,041,716	2.83%~11.54%	213,468
61 to 120 days past due	176,611	23.15%~41.81%	53,462
More than 121 days past due	42,181	48.73%~100%	24,291
	$ 647,491,455		**385,000**

	December 31, 2024		
	Accounts receivable carrying amount	Weighted-average expected credit loss rate	Allowance lifetime expected credit loss
Current	$ 341,564,384	0.00%~0.05%	105,145
1 to 60 days past due	5,817,495	3.11%~12.67%	219,331
61 to 120 days past due	108,148	25.37%~45.79%	42,471
More than 121 days past due	99,591	51.75%~100.00%	50,998
	$ 347,589,618		**417,945**

The movements in the allowance for impairment for accounts receivable were as follows:

	For the Years Ended December 31,	
	2025	2024
Balance as of January 1	$ 417,945	646,520
Impairment losses reversed	(32,945)	(228,575)
Balance as of December 31	**$ 385,000**	**417,945**

The aforesaid financial assets were not pledged as collateral.

The Company signed the accounts receivable factoring agreements without recourse with different financial institutions. According to the agreements, the Company transfers almost all risks and rewards to debtors, thus is eligible for derecognizing the financial assets. The amounts receivable from financial institutions were recognized as other receivables upon the derecognition of those trade receivables. The relevant information of the unexpired accounts receivable at the reporting date were as follows:

Unit: in thousands

	December 31, 2025					
Purchaser	Amount Derecognized	Credit Unused	Credit Advanced	Amount Recognized in Other Receivables	Range of Interest Rate	Significant Transferring Terms
Financial Institutions	**$ 31,430,000**	**USD 1,750,000**	**USD 1,000,000**	-	4.18%~4.38%	None

	December 31, 2024					
Purchaser	Amount Derecognized	Credit Unused	Credit Advanced	Amount Recognized in Other Receivables	Range of Interest Rate	Significant Transferring Terms
Financial Institutions	**$ -**	**USD 1,950,000**	**USD -**	-	None	None

The Company signed the accounts receivable factoring agreements with different financial institutions. According to the agreements, the Company bears almost all risks and rewards, and thus is ineligible for derecognizing the financial assets. The carrying amount of the accounts receivable factored but yet derecognized at the reporting date were as follows:

Unit：in thousands

December 31, 2025					
Purchaser	**Amount transferred but has yet to be derecognized**	**Credit Line**	**Credit Advanced (accounted under short-term borrowings)**	**Range of Interest Rate**	**Collateral**
Financial Institutions	**$ -**	**USD 250,000**	**USD -**	None	None

December 31, 2024					
Purchaser	**Amount transferred but has yet to be derecognized**	**Credit Line**	**Credit Advanced (accounted under short-term borrowings)**	**Range of Interest Rate**	**Collateral**
Financial Institutions	**$ -**	**USD 250,000**	**USD -**	None	None

(e) Other receivables

	December 31, 2025	December 31, 2024
Other receivables	$ 254,413	314,459
Other receivables due from related parties	3,560,560	2,964,587
Long-term receivable due from related parties	75,577,679	78,627,107
Less: Allowance for impairment	(27,335)	(28,962)
	$ 79,365,317	**81,877,191**

As of December 31, 2025 and 2024, the aging analysis of other receivables, which were past due, were as follows:

	December 31, 2025	December 31, 2024
1 to 60 days past due	$ 1,443	9,337
61 to 120 days past due	1,434	10,466
More than 121 days past due	26,521	23,423
Total	**$ 29,398**	**43,226**

The movements in the allowance for impairment for other receivables for the years ended December 31, 2025 and 2024, were as follows:

	Collectively assessed impairment
Balance as of January 1, 2025	$ 28,962
Impairment loss reversed	(1,627)
Balance as of December 31, 2025	**$ 27,335**
Balance as of January 1, 2024	$ 13,263
Impairment loss recognized	15,699
Balance as of December 31, 2024	**$ 28,962**

The aforesaid financial assets were not pledged as collateral.

(f) Inventories

	December 31, 2025	December 31, 2024
Merchandise	$ 21,653,191	17,541,488
Finished goods	12,604,728	10,965,550
Work-in-process	2,639,278	-
Raw materials	83,425,633	31,205,946
Inventory in-transit	2,810,384	875,321
Total	**$ 123,133,214**	**60,588,305**

For the years ended December 31, 2025 and 2024, the details of operating costs were as follows :

	For the Years Ended December 31,	
	2025	2024
Cost of goods sold	$ 1,551,470,783	1,118,390,431
Net amount of inventory obsolescence and disposal of scrapping	969,712	1,129,813
Loss of inventory valuation and obsolescence recognized (reversed)	212,378	(540,744)
Unamortized manufacturing overhead	40,963	522
Others	(36,683)	(28,610)
Total	**$ 1,552,657,153**	**1,118,951,412**

The write-down of inventory valuation was due to obsolescence or being outdated resulted in the net realizable value of inventory to be lower than the cost; hence, the write-down was recognized as operating costs. In addition, the factor leading to the net realizable value of inventories lower than the cost no longer exist, resulting in the increase in net realizable value to be recognized as reversal of inventories write-down, recognized as a deduction from operating costs.

The aforesaid inventories were not pledged as collateral.

(g) 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 was as follows:

	December 31, 2025	December 31, 2024
Subsidiaries	$ 95,315,776	87,058,435
Associates	195,356	413,615
	$ 95,511,132	**87,472,050**

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

	December 31, 2025	December 31, 2024
Subsidiaries	**$ -**	**6,719**

1.Subsidiaries

Please refer to the consolidated financial report for 2025.

2.Associates

The Company's financial information for investments accounted for using equity method that are individually insignificant was as follows:

	December 31, 2025	December 31, 2024
Carrying amount of individually insignificant associates' equity	**$ 195,356**	**413,615**

	For the Years Ended December 31,	
	2025	2024
Attributable to the Company:		
Loss from continuing operation	$ (26,763)	(39,907)
Other comprehensive income (loss)	409	5,647
Total comprehensive loss	**$ (26,354)**	**(34,260)**

On April 21, 2025, the Company lost significant influence over aetherAI Co., Ltd., with the remaining interest measured at its fair value of $410,066, reclassified from investment accounted for using equity method to financial assets measured at fair value through profit or loss, resulting in a gain on disposal of $214,482, recognized as other gains and losses. Furthermore, aside from having the comprised of the profit resulting from the Company's remaining interest in aetherAI Co., Ltd., measured at fair value, the gain on disposal also constituted the gains previousy recognized in other comprehensive income, which may be, and had been, reclassified to profit or loss. Additionally, the gain of $136, previously recognized in other comprehensive income, which may not be reclassified to profit or loss, in relation to the associate, had beed reclassified to retained earnings on disposal of the associate.

3.Collateral

The aforesaid investments accounted for using equity method were not pledged as collateral.

(h) Property, plant and equipment

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

	Land	Buildings	Machinery and miscellaneous equipment	Equipment to be inspected and construction in progress	Total
Cost or deemed cost:					
Balance as of January 1, 2025	$ 7,704,481	10,624,000	14,518,018	415,968	33,262,467
Additions	-	511,553	904,382	1,552,215	2,968,150
Disposal and obsolescence	-	(1,620)	(1,039,309)	-	(1,040,929)
Reclassification	-	137,423	567,022	(704,199)	246
Balance as of December 31, 2025	**$ 7,704,481**	**11,271,356**	**14,950,113**	**1,263,984**	**35,189,934**
Balance as of January 1, 2024	$ 7,704,481	10,255,282	13,799,294	383,287	32,142,344
Additions	-	358,933	837,898	433,581	1,630,412
Disposal and obsolescence	-	(20,407)	(490,157)	-	(510,564)
Reclassification	-	30,192	370,983	(400,900)	275
Balance as of December 31, 2024	**$ 7,704,481**	**10,624,000**	**14,518,018**	**415,968**	**33,262,467**
Depreciation and impairment loss:					
Balance as of January 1, 2025	$ -	3,775,932	10,495,929	-	14,271,861
Depreciation for the period	-	509,872	1,841,041	-	2,350,913
Impairment loss reversed	-	-	(5,829)	-	(5,829)
Disposal and obsolescence	-	(1,620)	(1,008,196)	-	(1,009,816)
Reclassification	-	-	36	-	36
Balance as of December 31, 2025	**$ -**	**4,284,184**	**11,322,981**	**-**	**15,607,165**
Balance as of January 1, 2024	$ -	3,407,235	8,912,052	-	12,319,287
Depreciation for the period	-	388,999	1,915,950	-	2,304,949
Impairment loss reversed	-	-	(1,470)	-	(1,470)
Disposal and obsolescence	-	(20,302)	(330,853)	-	(351,155)
Reclassification	-	-	250	-	250
Balance as of December 31, 2024	**$ -**	**3,775,932**	**10,495,929**	**-**	**14,271,861**
Carrying amount:					
Balance as of December 31, 2025	**$ 7,704,481**	**6,987,172**	**3,627,132**	**1,263,984**	**19,582,769**
Balance as of January 1, 2024	**$ 7,704,481**	**6,848,047**	**4,887,242**	**383,287**	**19,823,057**
Balance as of December 31, 2024	**$ 7,704,481**	**6,848,068**	**4,022,089**	**415,968**	**18,990,606**

As of December 31, 2025 and 2024, the aforesaid property, plant and equipment were not pledged as collateral.

The Company has been building new factories and expanding production lines since 2021. Since relevant civil engineering and installation projects were still in progress as of December 31, 2025, they were accounted for as construction in progress and equipment to be inspected. Please prefer to Note(9)(a) for details of significant unrecognized contractual commitments associated with acquisition of property, plant and equipment.

(i) Right-of-use assets

The Company leases buildings. The movements in right-of-use assets were as follows:

		Buildings
Cost:		
Balance as of January 1, 2025	$	381,674
Additions		119,528
Reductions		(111,444)
Balance as of December 31, 2025	**$**	**389,758**
Balance as of January 1, 2024	$	332,890
Additions		135,158
Reductions		(86,374)
Balance as of December 31, 2024	**$**	**381,674**
Depreciation:		
Balance as of January 1, 2025	$	188,586
Depreciation for the period		111,713
Reductions		(107,676)
Balance as of December 31, 2025	**$**	**192,623**
Balance as of January 1, 2024	$	166,427
Depreciation for the period		108,533
Reductions		(86,374)
Balance as of December 31, 2024	**$**	**188,586**
Carrying amount:		
Balance as of December 31, 2025	**$**	**197,135**
Balance as of January 1, 2024	**$**	**166,463**
Balance as of December 31, 2024	**$**	**193,088**

(j) Intangible assets

The costs of intangible assets and amortization of the Company as of and for the years ended December 31, 2025 and 2024, were as follows:

		Software and trademark
Cost:		
Balance as of January 1, 2025	$	1,164,460
Acquisition		200,090
Disposal and obsolescence		(1,027)
Balance as of December 31, 2025	**$**	**1,363,523**
Balance as of January 1, 2024	$	1,152,561
Acquisition		59,777
Disposal and obsolescence		(47,878)
Balance as of December 31, 2024	**$**	**1,164,460**
Amortization and impairment loss:		
Balance as of January 1, 2025	$	1,059,454
Amortization for the period		98,237
Disposal and obsolescence		(1,027)
Balance as of December 31, 2025	**$**	**1,156,664**
Balance as of January 1, 2024	$	1,044,458
Amortization for the period		62,874
Disposal and obsolescence		(47,878)
Balance as of December 31, 2024	**$**	**1,059,454**
Carrying amount:		
Balance as of December 31, 2025	**$**	**206,859**
Balance as of January 1, 2024	**$**	**108,103**
Balance as of December 31, 2024	**$**	**105,006**

Recognized amortization and impairment

The amortization of intangible assets for the years ended December 31, 2025 and 2024 were included in the statement of comprehensive income in the following accounts:

	For the Years Ended December 31,	
	2025	2024
Operating costs	$ 5,477	3,088
Operating expenses	92,760	59,786
Total	**$ 98,237**	**62,874**

(k) Short-term borrowings

	December 31, 2025	December 31, 2024
Credit loan	**$ 195,875,749**	**107,875,065**
Range of interest rates	**0.67%~4.58%**	**3.72%~5.33%**

The Company's interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(v).

(l) Long-term borrowings

Names of financial institution	Amount			Collateral or Guarantee
	Non-current portion	Current portion	Total	
December 31, 2025				
National development agreement with TaiShin International Bank (ii)	$ -	156,250	156,250	None
National development agreement with Mega International Commercial Bank (iii)	-	159,184	159,184	None
National development agreement with Taipei Fubon Bank (iv)	-	197,916	197,916	None
National development agreement with E.SUN Commercial Bank (v)	-	250,000	250,000	None
National development agreement with CTBC Bank (vi)	-	125,000	125,000	None
Total	**$ -**	**888,350**	**888,350**	

Names of financial institution	Amount			Collateral or Guarantee
	Non-current portion	Current portion	Total	
December 31, 2024				
Syndicated agreement with Mega International Commercial Bank and other 17 participating banks (vii)	$ -	4,917,750	4,917,750	None
Syndicated agreement with Taipei Fubon Bank and other 22 participating banks (i)	4,917,750	-	4,917,750	None
National development agreement with TaiShin International Bank (ii)	156,250	375,000	531,250	None
National development agreement with Mega International Commercial Bank (iii)	159,184	318,367	477,551	None
National development agreement with Taipei Fubon Bank (iv)	197,916	375,000	572,916	None
National development agreement with E.SUN Commercial Bank (v)	250,000	500,000	750,000	None
National development agreement with CTBC Bank (vi)	125,000	250,000	375,000	None
Total	**$ 5,806,100**	**6,736,117**	**12,542,217**	

(i) Effective August 2023, the Company and its subsidiary, QIL, entered into syndicated credit agreements with Taipei Fubon Bank and other 22 participating financial institutions. The agreements included two trenches, A and B. In trench A, the term facility and revolving facility available to the Company amounted to USD1,000,000 thousand. In trench B, the term facility and revolving facility available to QIL amounted to USD500,000 thousand. The agreement amounted to USD1,500,000 thousand with floating interest rate for a period of 3 years. The borrowing duration is allowed to be extended for 2 years, but the extension is limited to one time only. According to the agreements, the Company takes joint and several liabilities for QIL' s repayments.

(ii) Effective June 2019, the Company entered into credit agreement with TaiShin International Bank. The loan facility of agreement amounted to $1,500,000 with floating interest rates for a period of 7 years. The agreement started on June 4, 2019.

(iii) Effective June 2019, the Company entered into credit agreement with Mega International Commercial Bank. The loan facility of agreement amounted to $1,300,000 with floating interest rates for a period of 7 years. The agreement started on June 19, 2019.

(iv) Effective June 2019, the Company entered into credit agreement with Taipei Fubon Bank. The loan facility of agreement amounted to $1,500,000 with floating interest rates for a period of 7 years. The agreement started on June 4, 2019.

(v) Effective June 2019, the Company entered into credit agreement with E.SUN Commercial Bank. The loan facility of agreement amounted to $2,000,000 with floating interest rates for a period of 7 years. The agreement started on July 3, 2019.

(vi) Effective June 2019, the Company entered into credit agreement with CTBC Bank. The loan facility of agreement amounted to $1,000,000 with floating interest rates for a period of 7 years. The agreement started on July 4, 2019.

(vii) Effective October 2020, the Company and its subsidiary, QIL, entered into syndicated credit agreement with Mega International Commercial Bank and other 17 participating financial institutions. Under which, the Company and QIL will share the term facility and revolving facility amounted to USD1,200,000 thousand with floating interest rates for a period of 3 years. The borrowing duration is extended for 2 years with Mega International Commercial Bank and other 17 participating financial institutions in November 2023. According to the agreements, the Company takes joint and several liabilities for QIL's repayments.

(viii) Effective December 2025, the Company and its subsidiary, QIL, entered into syndicated credit agreements with Mega International Commercial Bank and other 18 participating financial institutions. The agreemens included two trenches, A and B. In trench A, the term facility and revolving facility available to the Company amounted to USD600,000 thousand. In trench B, the term facility and revolving facility available to QIL amounted to USD1,400,000 thousand. The agreement amounted to USD2,000,000 thousand with floating interest rate for a period of 3 years. The borrowing duration is allowed to be extended for 2 years, but the extension is limited to one time only. According to the agreements, the Company takes joint and several liabilities for QIL's repayments.

(ix) Under the agreements with QIL, the Company shall adhere to certain financial provisions such as consolidated current ratios, leverage ratios, interest coverage ratios and tangible net worth at the end dates of the semi-annual and the annual accounting periods (June 30 and December 31). Otherwise, the borrowings will be considered due and payable immediately. As of December 31, 2025, the Company was in compliance with the above financial covenants. Moreover, the Company expects to comply with the covenants at the end dates of the semi annual and the annual accounting periods for at least 12 months after the reporting date.

(x) The interest rates for all aforementioned credit facilities were 0.7200% and 0.7200%~5.3782% as of December 31, 2025 and 2024, respectively.

(xi) The Company’ s interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(v).

(m) Bonds Payable

The details of the Company's unsecured convertible bonds were as follows:

	December 31, 2025	December 31, 2024
Total convertible bonds issued	$ 62,279,000	32,055,000
Unamortized discounted bonds payable	(5,700,068)	(3,270,761)
Cumulative converted amount	-	-
Convertible bonds issued balance at year-end	**$ 56,578,932**	**28,784,239**
Embedded derivative – call and put options (recorded as financial liabilities at fair value through profit or loss)	**$ 710,899**	**371,838**
Equity component – conversion options (recorded as capital surplus–stock options)	**$ 5,636,105**	**2,887,623**

The amounts recognized in profit or loss from convertible bonds were as follows:

	For the Years Ended December 31,	
	2025	2024
Embedded derivative - gains and losses of re-measurement of call and put options based on fair value (recorded as other gains and losses)	**$ 41,762**	**57,699**
Interest expense	**$ 818,632**	**192,186**

The Company's fifth five-year unsecured convertible bonds were listed on the Singapore Exchange on October 3, 2025, amounting to USD1,000,000 thousand, at zero coupon rate, with the maturity date set on October 2, 2030, based on a resolution approved during its Board of Directors held on August 12, 2025, with approval No.1140358182 from the Financial Supervisory Commission on September 23, 2025.The bonds will be converted to NTD at a fixed rate of 30.224. Upon maturity, repurchase, or early redemption, the fixed NTD amount will be converted to an equivalent amount in USD for payment using the prevailing exchange rate at the time of transaction.

Except for early redemption, repurchases and cancellations, exercise of conversion rights by the bondholders and the cessation of conversion period, from the day following the three months after the issuance of the bonds to (1) ten days before the maturity date or (2) the fifth business day prior to the repurchase date if the bondholders exercise their put option or the date of early redemption of the bonds (excluding the maturity date), the bondholders may request the issuing company to convert the bonds into shares of common stocks in accordance with the provisions of the relevant laws and the Trust Deed.

The convertible bonds may be redeemed in advance by the Company from the day following the third anniversary of the issuance until the maturity date. If the closing price of the Company' s common stock on the Taiwan Stock Exchange reaches 130% of the amount obtained by multiplying the amount of early redemption using the conversion price, and dividing it by the face value for twenty trading days out of thirty consecutive business days (adjusted for any ex-rights or ex-dividend events), the Company may redeem all or part of the bonds at the early redemption amount.

Except for the following circumstances, bondholders may not request the Company to redeem all or part of their bonds before maturity: (1) Unless the bonds have been redeemed early, repurchased and canceled, or converted, bondholders may request the Company to redeem all or part of the bonds at face value, plus interest compensation, without an annual rate, calculated on a semi-annual basis (hereinafter referred to as the "early redemption amount"), on the third anniversary of the bond issuance; (2) If the Company' s common stock is delisted from the Taiwan Stock Exchange, bondholders may request the Company to redeem all or part of the bonds at the early redemption amount; (3) If a change of control event as defined in the Trust Deed occurs, bondholders may request the Company to redeem all or part of the bonds at the early redemption amount.

The conversion price of the bonds was set at a premium based on the closing price of the Company's common stock on the Taiwan Stock Exchange on the pricing date, September 23, 2025, with the initial conversion price at issuance of NT$401.1, which shall be adjusted in accordance with the relevant antidilution provisions of the contract after the issuance of the bonds.

The Company's fourth five-year unsecured convertible bonds were listed on the Singapore Exchange on September 17, 2024, amounting to USD1,000,000 thousand, at zero coupon rate, with the maturity date set on September 16, 2029, based on a resolution approved during its Board of Directors held on August 9, 2024, with approval No.1130355869 from the Financial Supervisory Commission on September 9, 2024.The bonds will be converted to NTD at a fixed rate of 32.055. Upon maturity, repurchase, or early redemption, the fixed NTD amount will be converted to an equivalent amount in USD for payment using the prevailing exchange rate at the time of transaction.

Except for early redemption, repurchases and cancellations, exercise of conversion rights by the bondholders and the cessation of conversion period, from the day following the three months after the issuance of the bonds to (1) ten days before the maturity date or (2) the fifth business day prior to the repurchase date if the bondholders exercise their put option or the date of early redemption of the bonds (excluding the maturity date), the bondholders may request the issuing company to convert the bonds into shares of common stocks in accordance with the provisions of the relevant laws and the Trust Deed.

The convertible bonds may be redeemed in advance by the Company from the day following the third anniversary of the issuance until the maturity date. If the closing price of the Company' s common stock on the Taiwan Stock Exchange reaches 130% of the amount obtained by multiplying the amount of early redemption using the conversion price, and dividing it by the face value for twenty trading days out of thirty consecutive business days (adjusted for any ex-rights or ex-dividend events), the Company may redeem all or part of the bonds at the early redemption amount.

Except for the following circumstances, bondholders may not request the Company to redeem all or part of their bonds before maturity: (1) Unless the bonds have been redeemed early, repurchased and canceled, or converted, bondholders may request the Company to redeem all or part of the bonds at face value, plus interest compensation, without an annual rate, calculated on a semi-annual basis (hereinafter referred to as the "early redemption amount"), on the third anniversary of the bond issuance; (2) If the Company's common stock is delisted from the Taiwan Stock Exchange, bondholders may request the Company to redeem all or part of the bonds at the early redemption amount; (3) If a change of control event as defined in the Trust Deed occurs, bondholders may request the Company to redeem all or part of the bonds at the early redemption amount.

The conversion price of the bonds was set at a premium based on the closing price of the Company's common stock on the Taiwan Stock Exchange on the pricing date, September 9, 2024, with the initial conversion price at issuance of NT$356.25. According to the record date resolved by the Board of Directors on February 27, 2025, the conversion price has been changed to NT$339.67 on July 6, 2025. The conversion price shall be adjusted in accordance with the relevant antidilution provisions of the contracts after the issuance of the bonds.

(n) Lease liabilities

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

	December 31, 2025	December 31, 2024
Current	$ 114,184	92,789
Non-current	$ 85,111	101,888

For the maturity analysis, please refer to Note (6)(v).

The amounts recognized in profit or loss were as follows:

	For the Years Ended December 31,	
	2025	2024
Interests expenses on lease liabilities	$ 2,418	2,398
Variable lease payments not included in the measurement of lease liabilities	$ 159,543	217,388
Expenses relating to short-term leases	$ 177,647	120,179

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

	For the Years Ended December 31,	
	2025	2024
Total cash outflow for leases	$ 455,776	452,487

1. Building leases

The Company leases buildings for its office space, parking lots and staff dormitory. The leases typically run for a period of 2 to 5 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.

2. Other leases

The Company leases machinery and office equipment, which are short-term items. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

(o) Employee benefits

1.Defined benefit plans

The Company determined the movements in the present value of the defined benefit obligations and fair value of plan assets as follows:

	December 31, 2025	December 31, 2024
Present value of benefit obligations	$ 1,695,409	1,588,093
Fair value of plan assets	(1,566,120)	(1,451,533)
Recognized liabilities for defined benefit obligations	**$ 129,289**	**136,560**

The Company makes defined benefit plan contributions to the pension fund account at the Bank of Taiwan that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive an annual payment based on years of service and average 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 labor pension reserve account with the Bank of Taiwan amounted to $1,566,120 as of December 31, 2025. 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.

2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations of the Company for the years ended December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	2024
Defined benefit obligation as of January 1	$ 1,588,093	1,623,329
Current service costs and interests	30,031	25,959
Remeasurement on the net defined benefit liabilities		
─Actuarial losses arising from experience adjustments	85,928	32,572
─Actuarial losses arising from changes in population assumption	3	18
─Actuarial losses (gains) arising from changes in financial assumptions	32,712	(53,601)
Benefit paid	(35,267)	(39,868)
Effect of the curtailment of plan	(6,091)	(316)
Defined benefit obligation as of December 31	**$ 1,695,409**	**1,588,093**

3) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets of the Company for the years ended December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	2024
Fair value of plan assets as of January 1	$ 1,451,533	1,327,177
Interest income	22,589	15,592
Remeasurement on the net defined benefit liabilities		
─Return on plan assets (excluding current interest)	101,413	119,623
Contribution made	29,586	29,009
Benefit paid	(35,267)	(39,868)
Payment for the curtailment of plan assets	(3,734)	-
Fair value of plan assets as of December 31	**$ 1,566,120**	**1,451,533**

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss of the Company for the years ended December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	2024
Current service costs	$ 5,494	6,987
Net interest of net defined benefit liabilities	1,948	3,380
Past service costs	(2,357)	(316)
	$ 5,085	**10,051**
Operating costs	$ 724	1,013
Selling expenses	257	300
General and administrative expenses	1,807	5,370
Research and development expenses	2,297	3,368
	$ 5,085	**10,051**

5) Actuarial assumptions

The following were the Company's principal actuarial assumptions of present value of defined benefit obligations:

	December 31, 2025	December 31, 2024
Discount rate	1.35%	1.60%
Future salary increasing rate	2.61%	2.61%

The Company will pay the defined benefit plans amounting to $31,399 within one year after the reporting date in 2025.

The weighted average duration of the defined benefit obligation is 7 years.

6) Sensitivity analysis

As of December 31, 2025 and 2024, if the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Influences of defined benefit obligations	
	Increased 0.25%	Decreased 0.25%
December 31, 2025		
Discount rate	$ (32,603)	33,626
Future salary increasing rate	33,125	(32,286)

	Influences of defined benefit obligations	
	Increased 0.25%	Decreased 0.25%
December 31, 2024		
Discount rate	$ (32,127)	33,168
Future salary increasing rate	32,756	(31,892)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions remain 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 the 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.

2.Defined contribution plans

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

The Company's pension costs under the defined contribution method were $691,058 and $595,833 for the years ended December 31, 2025 and 2024, respectively. Payment was made to the Bureau of the Labor Insurance.

(p) Income taxes

1.Income tax expense

The details of income tax expense for the years ended December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	2024
Current tax expense		
Current period	$ 20,001,166	11,274,784
Adjustment for prior period	(661,816)	(2,551,953)
	19,339,350	8,722,831
Deferred tax expense		
Origination and reversal of temporary differences	(2,180,503)	2,515,425
Income tax expense from continuing operations	**$ 17,158,847**	**11,238,256**

The details of income tax recognized in other comprehensive income for the years ended December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	**2024**
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plans	**$ 3,446**	**(28,127)**
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign financial statements	**$ (196)**	**(984)**

Reconciliations between income tax and profit before tax for the years ended December 31, 2025 and 2024, were as follows：

	For the Years Ended December 31,	
	2025	**2024**
Profit before tax	$ 92,146,547	70,940,053
Income tax using the Company's domestic tax rate	$ 18,429,309	14,188,011
Permanent differences	(75,487)	13,454
Tax-exempt income	(22,176)	(71,583)
Changes in temporary differences	419,248	429,884
Tax adjustments in prior periods	(661,816)	(2,551,953)
Additional income tax on unappropriated earnings	269,769	70,443
Investment tax credits	(1,200,000)	(840,000)
Total	**$ 17,158,847**	**11,238,256**

2.Deferred tax assets and liabilities

1) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2025 and 2024, were as follows:

	Estimated contract liability	Unrealized gross profit from sales	Unrealized losses on inventories	Other unrealized losses and expense	Total
Deferred tax assets:					
Balance as of January 1, 2025	$ 3,034,159	1,410,263	664,316	1,801,625	6,910,363
Recognized in profit or loss	2,008,976	1,627,383	42,475	(258,750)	3,420,084
Recognized in other comprehensive income	-	-	-	3,250	3,250
Balance as of December 31, 2025	**$ 5,043,135**	**3,037,646**	**706,791**	**1,546,125**	**10,333,697**
Balance as of January 1, 2024	$ 2,679,260	205,769	772,465	2,256,342	5,913,836
Recognized in profit or loss	354,899	1,204,494	(108,149)	(425,606)	1,025,638
Recognized in other comprehensive income	-	-	-	(29,111)	(29,111)
Balance as of December 31, 2024	**$ 3,034,159**	**1,410,263**	**664,316**	**1,801,625**	**6,910,363**

	Unrealized gains on investment	Unrealized gains on foreign currency exchange	Others	Total
Deferred tax liabilities:				
Balance as of January 1, 2025	$ 6,800,080	1,351,331	-	8,151,411
Recognized in profit or loss	812,475	407,214	19,892	1,239,581
Balance as of December 31, 2025	**$ 7,612,555**	**1,758,545**	**19,892**	**9,390,992**
Balance as of January 1, 2024	$ 4,610,348	-	-	4,610,348
Recognized in profit or loss	2,189,732	1,351,331	-	3,541,063
Balance as of December 31, 2024	**$ 6,800,080**	**1,351,331**	**-**	**8,151,411**

3.Income tax approval

The Company's tax returns through 2022 have been assessed and approved by the Tax Authority.

4.Global minimum top-up tax

Some countries that the Company operates in have enacted new legislation to implement the global minimum top-up tax. The Company is closely monitoring developments related to the implementation of the international tax reforms introducing a global minimum top-up tax in countries which it operates in. As of December 31, 2025, the application of this new tax law was accessed to have no material impact on the Company. The Company recognizes the supplemental tax as current income tax when it is actually incurred, and the Company applies the temporary mandatory relief from deferred tax related to the suppplement tax.

(q) Share capital and other equity

1.Share capital

As of December 31, 2025 and 2024, the Company's authorized capital consisted of $46,000,000 and issued shares amounted to 3,862,627 thousand shares, with par value of $10 (NT dollars) per share.

Reconciliations of shares outstanding for the years ended December 31, 2025 and 2024, were as follows:

(Unit: thousand shares)

	Common Stock	
	For the Years Ended December 31,	
	2025	2024
Balance as of January 1	3,862,627	3,862,627
Balance as of December 31	**3,862,627**	**3,862,627**

2.Capital surplus

The details of capital surplus were as follows:

	December 31, 2025	December 31, 2024
Surplus from issuing shares in excess of par value:		
Additional paid-in capital arising from issuing shares	$ 5,832,239	5,832,239
Additional paid-in capital arising from bonds conversion	7,017,671	7,017,671
Additional paid-in capital arising from treasury stock transactions	518,366	412,951
Additional paid-in capital arising from employee share options	961,566	961,566
Donated assets received	44	44
Issue of convertible bonds	5,636,105	2,887,623
The movement of net stockholders of subsidiaries, associates and joint ventures entity for using equity method	1,107,578	151,541
Difference between consideration and carrying amount of subsidiaries acquired or disposed	82,236	45,693
Other	25	-
	$ 21,155,830	**17,309,328**

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.

3.Retained earnings

According to the Articles of Incorporation, wherein Article 27-2 stipulated that the Company's earnings distribution or loss off setting may be made after the end of each half of the fiscal year in accordance with Article 228-1 of the Company Act. Earnings distributed in the form of cash shall be approved by the Board of Directors.

According to the amended Articles of Incorporation, after-tax earnings are initially used to offset cumulative losses, and 10% of the remainder is set aside as a legal reserve, except when the legal reserve of the Company reaches its paid-in capital. Special reserve may be appropriated if necessary, and then any remaining profit together with any undistributed retained earnings shall be distributed in accordance with the relevant laws or regulations, or as outlined by the Articles of Incorporation.

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 Ruling issued by the FSC, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should equal to the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior period earnings shall be reclassified as a special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to 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 2025 earnings to be appropriated were resolved by the Board of Directors as follows:

	The date the resolution was approved by the Board of Directors	Dividend per share (NTD)－cash	Amount
Dividends distributed to ordinary shareholders			
The first half of 2025	August 12, 2025	$ -	-
The second half of 2025	February 26, 2026	15.60	60,256,988
Total			**$ 60,256,988**

The 2024 earnings to be appropriated were resolved by the Board of Directors as follows:

	The date the resolution was approved by the Board of Directors	Dividend per share (NTD)－cash	Amount
Dividends distributed to ordinary shareholders			
The first half of 2024	August 9, 2024	$ -	-
The second half of 2024	February 27, 2025	13.00	50,214,156
Total			**$ 50,214,156**

The 2023 earnings to be appropriated were resolved by the Board of Directors as follows:

	The date the resolution was approved by the Board of Directors	Dividend per share (NTD)－cash	Amount
Dividends distributed to ordinary shareholders			
The first half of 2023	August 11, 2023	$ -	-
The second half of 2023	March 15, 2024	9.00	34,763,647
Total			**$ 34,763,647**

4.Treasury stock

The Company's shares held by its subsidiaries were as follows:

	December 31, 2025		
	Shares (in thousands)	Cost	Market price
RTK	8,109	$ 333,094	2,205,617

	December 31, 2024		
	Shares (in thousands)	Cost	Market price
RTK	8,109	$ 333,094	2,327,250

5.Other equity after tax

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance as of January 1, 2025	$ 14,883,863	(8,646,248)	6,237,615
Exchange differences on translation of foreign financial assets	(8,562,093)	-	(8,562,093)
Exchange differences on associates/ subsidiaries accounted for using equity method	(33,937)	-	(33,937)
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	1,188,495	1,188,495
Disposal of investments measured at fair value through other comprehensive income	-	(116,846)	(116,846)
Disposal of investments accounted for using equity method	-	(136)	(136)
Unrealized gains from financial assets measured at fair value through other comprehensive income of associates/ subsidiaries accounted for using equity method	-	92,585	92,585
Changes in ownership interests in subsidiaries	79	(82)	(3)
Balance as of December 31, 2025	**$ 6,287,912**	**(7,482,232)**	**(1,194,320)**
Balance as of January 1, 2024	$ 5,685,783	(7,469,239)	(1,783,456)
Exchange differences on translation of foreign financial assets	9,101,997	-	9,101,997
Exchange differences on associates/ subsidiaries accounted for using equity method	96,083	-	96,083
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	(1,040,846)	(1,040,846)
Disposal of investments measured at fair value through other comprehensive income	-	11,315	11,315
Unrealized losses from financial assets measured at fair value through other comprehensive income of associates/ subsidiaries accounted for using equity method	-	(147,478)	(147,478)
Balance as of December 31, 2024	**$ 14,883,863**	**(8,646,248)**	**6,237,615**

(r) Earnings per share

For the years ended December 31, 2025 and 2024, the basic and diluted earnings per share were calculated as follows:

1.Basic earnings per share

	For the Years Ended December 31,	
	2025	**2024**
Profit attributable to ordinary shareholders of the Company	**$ 74,987,700**	**59,701,797**
Weighted average number of ordinary shares (basic)	**3,854,519**	**3,854,519**

2.Diluted earnings per share

	For the Years Ended December 31,	
	2025	**2024**
Profit attributable to ordinary shareholders of the Company	$ 74,987,700	59,701,797
Interest expense and other gains and losses on convertible bonds, net of tax	613,144	96,050
Profit attributable to ordinary shareholders of the Company	**$ 75,600,844**	**59,797,847**
Weighted average number of ordinary shares (basic)	3,854,519	3,854,519
Effect of employee stock compensation	31,168	23,313
Effect of conversion of convertible bonds	113,158	26,305
Weighted average number of ordinary shares (diluted)	**3,998,845**	**3,904,137**

(s) Revenue from contracts with customers

1.Disaggregation of revenue

	For the Years Ended December 31,	
	2025	**2024**
Primary geographical markets:		
America	$ 1,123,489,902	784,760,031
Mainland China	47,775,798	40,083,847
Netherlands	44,985,147	38,475,987
Japan	58,083,841	55,704,925
Other countries	418,514,338	298,109,949
	$ 1,692,849,026	**1,217,134,739**
Major products:		
Electronic products	**$ 1,692,849,026**	**1,217,134,739**

2.Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Contract liabilities	$ 104,691,202	87,523,712	78,565,699

For details on trade receivables and allowance for impairment, please refer to Note (6)(d).

The amount of revenue recognized for the years ended December 31, 2025 and 2024 that was included in the contract liability balance at the beginning of the period were $45,122,914 and $25,810,574, respectively.

The major change in the balance of contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(t) Remuneration to employees and directors

On June 13, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2% shall be allocated as employee remuneration (including a minimum of 2% to those base-level employees) and a maximum of 2% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2% should be allocated as employee remuneration and no more than 2% as remunerations for directors and supervisors. The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, could include employees of the subsidiaries who met certain specific requirements.

For the years ended December 31, 2025 and 2024, the Company estimated its employee remuneration amounting to $7,471,342 and $5,751,896, and directors' remuneration for both years amounting to $14,000. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company’s Articles of Incorporation. These remunerations were expensed under operating costs or operating expenses for the years ended December 31, 2025 and 2024. The amount of employee's remuneration and directors' remuneration resolved by the Board of Directors were identical to that of the estimation stated in the financial statements for the years ended December 31, 2025 and 2024. The information is available on the Market Observation Post System website.

(u) Non-operating income and expenses

1.Interest income

The details of interest income were as follows:

	For the Years Ended December 31,	
	2025	2024
Interest income from bank deposits	$ 1,382,248	1,310,776
Other interest income	7,449	89,400
Total	**$ 1,389,697**	**1,400,176**

2.Other income

The details of other income were as follows:

	For the Years Ended December 31,	
	2025	2024
Dividend income	**$ 241,345**	**480,747**

3.Other gains and losses

The details of other gains and losses were as follows:

	For the Years Ended December 31,	
	2025	2024
Foreign exchange gains	$ 8,247,761	6,511,770
Net gains on financial assets (liabilities) at fair value through profit or loss	580,375	116,101
Fee expense arising from sale of receivables	(644,047)	(178,485)
Others	1,772,907	886,449
Net	**$ 9,956,996**	**7,335,835**

4.Financial costs

The details of financial costs were as follows:

	For the Years Ended December 31,	
	2025	2024
Interest expenses	**$ 5,904,376**	**4,616,298**

(v) Financial instruments

1. Credit risks

1) Credit risks exposure

The carrying amount of financial assets represented the maximum credit risk exposure of the Company. As of December 31, 2025 and 2024, the maximum exposure to credit risks amounted to $785,847,819 and $529,847,426, respectively.

2.Liquidity risks

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

		Carrying amount	Contractual cash flow	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
December 31, 2025								
Non-derivative financial liabilities								
Long-term and short-term borrowings	$	196,764,099	197,256,627	197,235,713	20,914	-	-	-
Payables		400,849,647	400,849,647	392,355,561	829,401	7,468,927	194,052	1,706
Lease liabilities		199,295	201,791	59,246	56,760	64,895	20,890	-
Bonds payable		56,578,932	62,279,000	-	-	-	62,279,000	-
	$	**654,391,973**	**660,587,065**	**589,650,520**	**907,075**	**7,533,822**	**62,493,942**	**1,706**
December 31, 2024								
Non-derivative financial liabilities								
Long-term and short-term borrowings	$	120,417,282	120,653,478	118,843,094	914,077	896,307	-	-
Payables		220,906,519	220,906,519	215,712,956	4,991,903	199,880	-	1,780
Lease liabilities		194,677	197,219	54,825	39,687	75,780	26,927	-
Bonds payable		28,784,239	32,055,000	-	-	-	32,055,000	-
	$	**370,302,717**	**373,812,216**	**334,610,875**	**5,945,667**	**1,171,967**	**32,081,927**	**1,780**

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

3.Currency risks

1) Exposure to foreign currency risks

The Company's significant exposure to foreign currency risks of financial assets and liabilities were as follows:

			December 31, 2025	
Functional currency	Exchange rate	Currency	Foreign currency (in thousands)	Carrying amount (NTD)
Financial assets				
Monetary items				
NTD	31.4300	USD	$ 21,427,659	673,465,117
NTD	0.2008	JPY	5,656,982	1,135,922
NTD	36.9000	EUR	201,565	7,437,767
Financial liabilities				
Monetary items				
NTD	31.4300	USD	18,111,778	569,013,854
NTD	0.2008	JPY	3,101,249	622,731
NTD	36.9000	EUR	197,552	7,060,433

			December 31, 2024	
Functional currency	Exchange rate	Currency	Foreign currency (in thousands)	Carrying amount (NTD)
Financial assets				
Monetary items				
NTD	32.7850	USD	$ 12,293,123	403,016,347
NTD	0.2099	JPY	5,451,723	1,144,317
NTD	34.1400	EUR	103,050	3,518,122
Financial liabilities				
Monetary items				
NTD	32.7850	USD	9,802,026	320,475,570
NTD	0.2099	JPY	36,995	7,765
NTD	34.1400	EUR	91,139	3,139,690

2) Sensitivity analysis

The Company's foreign exchange exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. Assuming other variables remain the same, a 1% depreciation or appreciation of the NTD against foreign currency for the years ended December 31, 2025 and 2024, would have increased or decreased the net profit after tax by $842,734 and $672,446, respectively. The analysis is performed on the same basis for both periods.

3) Gains or losses on foreign exchange

Since the Company has many kinds of functional currency, the information on foreign exchange gains (losses) on monetary items is disclosed by total amount. For the years ended December 31, 2025 and 2024, foreign exchange gains (including realized and unrealized portions) amounted to $8,247,761 and $6,511,770, respectively.

4.Other price risk

If the equity price changes at the reporting date and it is based on the same basis for both years and assumes that all other variables remain the same, the impact to the comprehensive income will be as follows:

	For the Years Ended December 31,			
	2025		2024	
Equity price at the reporting date	Other comprehensive income after-tax	Profit (loss) after-tax	Other comprehensive income after-tax	Profit (loss) after-tax
Stock－Increase 7%	$ 851,722	73,153	563,733	25,986
Stock－Decrease 7%	$ (851,722)	(73,153)	(563,733)	(25,986)
Beneficiary certificates －Increase 1%	$ -	142,224	-	275,188
Beneficiary certificates －Decrease 1%	$ -	(142,224)	-	(275,188)

5.Interest rate analysis

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 liabilities with floating rate instruments, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date is outstanding throughout the year.

If the interest rate increases or decreases by 0.25% (25 basis points), the Company's net income would have decreased or increased by $1,772 and $5,348 for the years ended December 31, 2025 and 2024, respectively, due to the Company's borrowings at variable rates and banks deposits. This analysis assumes that all other variables remain constant.

6.Fair value information

1) The categories and fair values of financial instruments

The measurement basis of the financial assets and liabilities at fair value through profit or loss and the financial assets at fair value through other comprehensive income is repetitive. 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:

	December 31, 2025				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Mandatorily measured at fair value through profit or loss	$ 15,267,413	13,462,603	-	1,804,810	15,267,413
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	7,410,969	7,410,969	-	-	7,410,969
Stocks in unlisted companies	4,756,490	-	-	4,756,490	4,756,490
Accounts receivable	55,002,500	-	-	-	-
Sub-total	67,169,959	7,410,969	-	4,756,490	12,167,459
Financial assets measured at amortized cost					
Cash and cash equivalents	31,201,457	-	-	-	-
Accounts receivable	592,103,955	-	-	-	-
Other receivables	3,787,638	-	-	-	-
Long-term receivables	75,577,679	-	-	-	-
Other financial assets	739,718	-	-	-	-
Sub-total	703,410,447	-	-	-	-
Total	**$ 785,847,819**	**20,873,572**	**-**	**6,561,300**	**27,434,872**

	December 31, 2025				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Convertible bonds-embedded derivatives	$ 710,899	-	-	710,899	710,899
Financial liabilities measured at amortized cost					
Short term borrowings	195,875,749	-	-	-	-
Accounts payable and other payables	378,466,634	-	-	-	-
Convertible bonds-debt component	56,578,932	-	-	-	-
Long term borrowings	888,350	-	-	-	-
Other financial liabilities	22,383,013	-	-	-	-
Lease liabilities	199,295	-	-	-	-
Sub-total	654,391,973	-	-	-	-
Total	**$ 655,102,872**	**-**	**-**	**710,899**	**710,899**

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Mandatorily measured at fair value through profit or loss	$ 27,890,036	26,856,973	-	1,033,063	27,890,036
Financial assets at fair value through other comprehensive income					
Stocks in listed companies	6,211,151	6,211,151	-	-	6,211,151
Stocks in unlisted companies	1,842,175	-	-	1,842,175	1,842,175
Accounts receivable	63,930,750	-	-	-	-
Sub-total	71,984,076	6,211,151	-	1,842,175	8,053,326
Financial assets measured at amortized cost					
Cash and cash equivalents	64,390,081	-	-	-	-
Accounts receivable	283,240,923	-	-	-	-
Other receivables	3,250,084	-	-	-	-
Long-term receivables	78,627,107	-	-	-	-
Other financial assets	465,119	-	-	-	-
Sub-total	429,973,314	-	-	-	-
Total	**$ 529,847,426**	**33,068,124**	**-**	**2,875,238**	**35,943,362**

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Convertible bonds-embedded derivatives	$ 371,838	-	-	371,838	371,838
Financial liabilities measured at amortized cost					
Short term borrowings	107,875,065	-	-	-	-
Accounts payable and other payables	206,737,517	-	-	-	-
Convertible bonds-debt component	28,784,239	-	-	-	-
Long term borrowings	12,542,217	-	-	-	-
Other financial liabilities	14,169,002	-	-	-	-
Lease liabilities	194,677	-	-	-	-
Sub-total	370,302,717	-	-	-	-
Total	**$ 370,674,555**	**-**	**-**	**371,838**	**371,838**

2) Valuation techniques for financial instruments not measured at fair value

The Company's financial assets and liabilities measured at amortized cost use the discounted cash flows to estimate fair values.

3) Valuation techniques for financial instruments measured at fair value

A.Non-derivative financial instruments

The fair value of financial instruments traded in an active market is based on quoted market price. The quotation, which is published by the main exchange center, is included in the fair value of the listed securities instruments.

The Company holds the financial instruments with the active market, the categories and characteristics of fair value are listed as follow:

Certificates-open-end mutual funds, stocks of public quoted companies and debt investments with quoted market price are the financial instruments with standard terms and conditions and traded in an active market. These fair values are based on market quoted price.

The Company holds the financial instruments without active market, the categories and characteristics of fair value are listed as follows:

Debt instruments without quoted prices: The discounted cash flow method is used to estimate the fair value. The main assumption for the model is to discount the expected future cash flow by using a discount rate that reflects the time value of money and risks.

Equity instruments without quoted prices: The market price method and the net asset value method are used to estimate the fair value. The market price method uses recent financing activity of investment target or market price of similar financial instruments, including consider market condition, to estimate fair value. The main assumption for the net asset value method is using the net asset value per share as the measuring basis.

B.Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

4) For the year ended December 31, 2025 and 2024, there was no transferring from Level 1 to Level 2.

The Company holds an investment in equity shares of Intelligo Technology Inc., which is classfied as fair value through other comprehensive income, with the fair value of $83,103 on December 31, 2024. The fair value of the investment was previously categorized as Level 3 on December 31, 2024 because the shares were not listed on an exchange and there was no recent observable arm's length transaction in the shares. In June, 2025, Intelligo Technology Inc. listed its equity shares on an exchange and the shares are currently actively traded in the market. While the equity shares now have a published price quotation in an active market, the fair value measurement was transferred from Level 3 to Level 1 of the fair value hierarchy on June 30, 2025.

5) Changes in level 3 of the fair value

	At fair value through profit or loss	Fair value through other comprehensive income
	Non derivative financial assets mandatorily measured at fair value through profit or loss	Unquoted equity instruments
Balance as of January 1, 2025	$ 1,033,063	1,842,175
Total gains and losses recognized :		
In profit or loss	222,106	-
In other comprehensive income (loss)	-	988,237
Acquisition	549,641	2,012,278
Disposal / Redemption	-	(3,097)
Transfers out of Level 3	-	(83,103)
Balance as of December 31, 2025	**$ 1,804,810**	**4,756,490**

	At fair value through profit or loss	Fair value through other comprehensive income
	Non derivative financial assets mandatorily measured at fair value through profit or loss	Unquoted equity instruments
Balance as of January 1, 2024	$ 877,409	1,676,221
Total gains and losses recognized :		
In profit or loss	(151,246)	-
In other comprehensive income (loss)	-	(472,765)
Acquisition	306,900	646,349
Disposal / Redemption	-	(7,630)
Balance as of December 31, 2024	**$ 1,033,063**	**1,842,175**

The aforesaid total gains and losses were recognized in " other gains and losses" , and "unrealized gains and losses from financial assets at fair value through other comprehensive income". The details of the assets which the Company still held as of December 31, 2025 and 2024, were as follows:

	For the Years Ended December 31,	
	2025	2024
Total gains and losses recognized		
In profit or loss (accounted as "other gains and losses")	$ 222,106	(151,246)
In other comprehensive income (loss) (accounted as "unrealized gains and losses from investments in equity instrument measured at fair value through other comprehensive income")	988,237	(472,765)

6) Quantified information for significant unobservable inputs (level 3) used in fair value measurement

The Company' s financial instruments that use Level 3 inputs to measure fair value include financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income-equity investments.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation techniques	Significant non-observable inputs	The relationship between significant non-observable inputs and fair values
Financial assets at fair value through profit or loss -equity instruments without active market	Comparable companies approach	·Market value ratio (27.90 as of December 31, 2025 and 2024)	The estimated fair value would increase if the market value ratio were higher.
		·Liquidity discount rate (31.70% as of December 31, 2025 and 2024)	The estimated fair value would increase if the lack of liquidity discount rate were lower.
Financial assets at fair value through profit or loss - equity instruments without active market	Net asset value method	·Net asset value	The estimated fair value would increase if the net asset value were higher.
Financial assets at fair value through other comprehensive income-equity instruments without active market	Net asset value method	·Net asset value	The estimated fair value would increase if the net asset value were higher.
Financial assets at fair value through other comprehensive income-equity instruments without active market	Comparable companies approach	·Market value ratio (14.45、22.26 ; 18.80 as of December 31, 2025 and 2024)	The estimated fair value would increase if the market value ratio were higher.
		·Liquidity discount rate (20.00% as of the December 31, 2025 and 2024)	The estimated fair value would increase if the lack of liquidity discount rate were lower.
Financial liabilities at fair value through profit or loss - embedded derivative	Binomial Tree Convertible Bond Pricing Model	·Volatility (37.65% and 44.02% as of the December 31, 2025 and 2024)	The estimated fair value would increase if the volatility changes upward were higher.

(w) Financial risk management

1.Overview

The Company has 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 report.

2.Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The general manager, which reports to the Board of Directors, is responsible for the development of the Company-wide risk management policy and related systems and controls.

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 Board of Directors 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 Board of Directors.

3.Credit risk

Credit risk refers to the risk that a counterparty would default on its contractual obligations resulting in financial loss to the Company. As of reporting date, the potential financial loss due to unfulfilled obligations of the counterparty and financial guarantee provided by the Company is mainly from:

1) The carrying amount of financial assets recognized in the balance sheet.

2) The amount of liabilities as a result from the Company providing financial guarantee.

Credit risk is the risk of financial losses due to clients or counter parties to a financial instrument fail to comply their contractual obligations. The primary potential credit risk is from financial instruments like cash and accounts receivable. The Company only transacts with creditworthy financial institutions and by monitoring and managing credit risk exposure related to each financial institution. Therefore, the Company believes that there is no significant credit risk on cash.

If the financial instrument transactions concentrate on one counterparty, or on a few counterparties who involve in similar business activities, have similar economical characteristics, and the ability to meet their contractual obligations would be affected during similar economical or other situations, the circumstance of credit risk concentration exists. The Company has built a procedure of risk valuation and managing to monitor the credit risks of clients regularly.

For the years ended December 31, 2025 and 2024, the Company's accounts receivable from its three largest customers amounted to $582,686,176 and $281,852,583, which accounted for 89.99% and 81.09% of total accounts receivable, respectively, resulting in a significant concentration of credit risk for the Company.

The Company’s policy is to provide financial guarantees only to subsidiaries. Please refer to Note (13)(a) for the information of guarantees and endorsements for subsidiaries as of December 31, 2025.

4.Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

5.Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, and credit spreads that 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.

The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors and shareholders with the supervision of Internal Audit Department. Information concerning all market risks of the Company was as follows:

1) Currency risk

The Company is exposed to the currency risks arising from changes in foreign exchange rates, and utilizes some bank debts and derivative financial instruments to reduce the related risks. Vitality in profit or loss arising from changes in foreign exchange rates of foreign currency assets and liabilities can be naturally hedged. Transaction of derivatives can help the Company to reduce the effects partially.

The Company monitors respective exposure parts of foreign currency assets and liabilities periodically, and hedge the exposed parts with derivatives.

2) Interest rate risk

The Company' s interest rate risk arises mainly from the short-term and long-term bank borrowings bearing floating interest rates and bank deposits. Future cash flow will be affected by a change in effective interest rate.

3) Please refer to Note (6)(v) for the risk of price changing in equity instrument.

(x) Capital management

The Board of Director' s objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Board of Directors may adjust the dividend payment to shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

The Board of Directors uses the debt-to-equity ratio to manage capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings and other equity.

The Company's debt-to-equity ratios at the reporting date were as follows:

	December 31, 2025	December 31, 2024
Total liabilities	$ 792,655,057	482,713,528
Less: cash and cash equivalents	(31,201,457)	(64,390,081)
Net liabilities	**$ 761,453,600**	**418,323,447**
Total equity	**$ 243,577,029**	**222,285,793**
Debt-to-equity ratio	**312.61 %**	**188.19 %**

The debt-to-equity ratio increased on December 31, 2025, due to the rise in net debt caused by accounts payable, borrowings, and bonds payable.

(y) Financing activities not affecting current cash flow

For the years ended December 31, 2025 and 2024, the Company's financing activities which did not affect the current cash flow were acquisition of right-of-use assets from leasing. Please refer to Note (6)(i).

Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes: Acquisition	Non-cash changes: Others	Non-cash changes: Movements in exchange rate	December 31, 2025
Long-term borrowings	$ 12,542,217	(11,628,367)	-	-	(25,500)	888,350
Short-term borrowings	107,875,065	87,726,232	-	-	274,452	195,875,749
Lease liabilities	194,677	(111,136)	119,528	(3,774)	-	199,295
Bonds payable	28,784,239	30,105,366	-	(2,310,673)	-	56,578,932
Total liabilities from financing activities	**$ 149,396,198**	**106,092,095**	**119,528**	**(2,314,447)**	**248,952**	**253,542,326**

	January 1, 2024	Cash flows	Non-cash changes: Acquisition	Non-cash changes: Others	Non-cash changes: Movements in exchange rate	December 31, 2024
Long-term borrowings	$ 4,525,085	7,991,632	-	-	25,500	12,542,217
Short-term borrowings	97,918,945	6,750,190	-	-	3,205,930	107,875,065
Lease liabilities	168,207	(108,688)	135,158	-	-	194,677
Bonds payable	-	31,909,213	-	(3,124,974)	-	28,784,239
Total liabilities from financing activities	**$ 102,612,237**	**46,542,347**	**135,158**	**(3,124,974)**	**3,231,430**	**149,396,198**

(7) Related Party Transactions

(a) The Company and the ultimate controlling party

The Company is the ultimate controlling party of the Company.

(b) 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.

Name of related party	Relationship with the Company
Quanta International Limited (QIL)	Subsidiary of the Company
QCJ Co., Ltd. (QCJ)	Subsidiary of the Company
Quanta Cloud Technology Inc. (QCTTW)	Subsidiary of the Company
Quanta Storage Inc. (QSI)	Subsidiary of the Company
RoyalTek Company Ltd. (RTK)	Subsidiary of the Company
QMB CO., Ltd. (QMB)	Subsidiary of the Company
Quanta Cloud Technology Singapore Pte. Ltd. (QCTS)	Subsidiary of the Company
QMH COMPUTER CO. LTD (QMH)	Subsidiary of the Company
QSDC Pte. Ltd. (QSDC)	Subsidiary of the Company
Kenseisha Shanghai P.M.P. Co., Ltd. (KSH)	Indirectly held subsidiary
Quanta Computer USA, Inc. (QCA)	Indirectly held subsidiary

Name of related party	Relationship with the Company
QCG Computer GmbH (QCG)	Indirectly held subsidiary
QCH, INC., a Nevada corporation (QCH)	Indirectly held subsidiary
Quanta Cloud Technology Germany GmbH (QCTG)	Indirectly held subsidiary
Quanta Cloud Technology Japan Inc. (QCTJ)	Indirectly held subsidiary
QCT Korea Inc. (QCTK)	Indirectly held subsidiary
Quanta Cloud Technology USA LLC (QCTU)	Indirectly held subsidiary
Quanta Development (HONG KONG) Ltd. (QDL(HK))	Indirectly held subsidiary
Quanta Service Nashville, LLC (QSN)	Indirectly held subsidiary
Quanta Manufacturing Nashville LLC (QMN)	Indirectly held subsidiary
Tech-Com (Shanghai) Computer Co., Ltd. (TCC)	Indirectly held subsidiary
Tech-Com (Chongqing) Computer Co., Ltd. (TCQ)	Indirectly held subsidiary
Tech-Front (Shanghai) Computer Co., Ltd. (TFC)	Indirectly held subsidiary
Tech-Front (Chongqing) Computer Co., Ltd. (TFQ)	Indirectly held subsidiary
Tech-Giant (Shanghai) Computer Co., Ltd. (TGC)	Indirectly held subsidiary
Tech-Lead (Shanghai) Computer Co., Ltd. (TLC)	Indirectly held subsidiary
Tech-Full Computer (Changshu) Co., Ltd. (TNC)	Indirectly held subsidiary
Tech-Trend (Shanghai) Computer Co., Ltd. (TTC)	Indirectly held subsidiary
Tech-Wave (Chongqing) Logistics Co., Ltd. (TWQ)	Indirectly held subsidiary
Tech-Wave (Shanghai) Logistics Co., Ltd. (TWW)	Indirectly held subsidiary
CloudTech (Chongqing) Technology Co., Ltd. (YDCQ)	Indirectly held subsidiary
Techman Robot Inc. (TRI)	Indirectly held subsidiary

Name of related party	Relationship with the Company
Techman Electronics (Thailand) Co., Ltd. (TMT)	Indirectly held subsidiary
Quanta Cloud Technology Japan K.K. (QCJK)	Indirectly held subsidiary
Dongguan Shuang-Ying Photoelectric Technology Co., Ltd (DSY)	Indirectly held subsidiary
Quanta Culture & Education Foundation (QCF)	Same chairman (other related parties)
Quanta Computer Employee Welfare Committee (EWC)	Same chairman (other related parties)
Quanta Arts Foundation (QAF)	Same chairman (other related parties)
Quanta Medical Technology Foundation (QMTF)	Same chairman (other related parties)
Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	The Company’s chairman is a member of the council of CNAIC (other related parties)
aetherAI Co., Ltd. (AEAI)	The Company's other related parties
SINOCON Industrial Standards Foundation (SINOCON)	The Company’s chairman is a Managing Director of SINOCON (other related parties)
Institute for Biotechnology and Medicine Industry (IBMI)	The Company’s chairman is Board of Director & Vice President of IBMI (other related parties)
Lung Yingtai Cultural Foundation (LYCF)	The Company’s chairman is a member of the Board of LYCF (other related parties)
EBN Technology Corporation (EBN)	An investee company accounted for using equity method (Affiliates)
LIONS Taiwan Technology Inc. (LIONS)	An investee company accounted for using equity method (Affiliates)

(c) Significant transactions with related parties

1.Revenues from related parties

The amounts of significant sales between the Company and related parties were as follows:

	For the Years Ended December 31,	
	2025	2024
QCH	$ 972,890,232	603,355,084
Other subsidiaries	24,126,934	14,857,216
Affiliates	7,784	23,390
Other related parties	7,539	2,148
	$ 997,032,489	**618,237,838**

Prices sold to related parties were negotiated, which do not have counter parties to compare with. The collection term is 45 to 120 days.

2.Purchases from related parties

The amounts of significant purchase between the Company and related parties were as follows:

	For the Years Ended December 31,	
	2025	2024
TCC	$ 248,989,151	325,170,143
TFQ	448,272,117	504,935,823
QMB	225,629,582	91,076,391
Other subsidiaries	262,829,868	53,604,635
Affiliates	-	13
	$ 1,185,720,718	**974,787,005**

Prices purchased from related parties were negotiated, which do not have counter parties to compare with. The payment term is 45 to 120 days.

3.Receivables from related parties

Receivables from related parties were as follows:

Account	Category of related party	December 31, 2025	December 31, 2024
Accounts receivable	QCH	$ 404,878,726	124,446,118
Accounts receivable	Other subsidiaries	3,151,678	7,266,238
Accounts receivable	Affiliates	-	145
Other receivables	QMB	1,008,635	2,159,859
Other receivables	QMH	2,444,346	691,430
Other receivables	Other subsidiaries	105,704	109,634
Other receivables	Other related parties	1,875	3,664
		$ 411,590,964	**134,677,088**

Note 1: For the years ended December 31, 2025 and 2024, the Company entered into accounts receivable assignment agreements with QCH and QIL. The related accounts receivable and accounts payable were presented in net amount in the financial statements.

Note 2: Other receivables were mainly from raw materials purchased on behalf of related parties.

4.Payables to related parties

Payables to related parties were as follows:

Account	Category of related party	December 31, 2025	December 31, 2024
Accounts payable	TFQ	$ 17,100,392	31,286,463
Accounts payable	TCC	5,896,800	23,729,954
Accounts payable	TFC	8,054,383	8,169,803
Accounts payable	QDL(HK)	93,035,203	-
Accounts payable	Other subsidiaries	278,761	22,657
Other payables	Other subsidiaries (Note)	2,357,490	437,541
Other payables	Other related parties	134,152	65,443
		$ 126,857,181	**63,711,861**

Note：The items are payments for equipment and advance payments from subsidianies for freight and import/export fee, etc.

5.Unearned revenue

Unearned revenue to related parties were as follows:

Account	Category of related party	December 31, 2025	December 31, 2024
Contract liabilities	Affiliates	**$ -**	**6,144**

6.Property transactions

1) Acquisition of property, plant and equipment

The amounts paid to related party for acquisition of property, plant and equipment were summarized as follows:

	For the Years Ended December 31,	
	2025	2024
Subsidiaries	**$ 154,326**	**84,073**

2) Disposal of property, plant and equipment

The disposals of property, plant and equipment to related parties are summarized as follows:

	For the Years Ended December 31,			
	2025		2024	
Category of related party	Disposal price	Gain (loss) from disposal	Disposal price	Gain (loss) from disposal
Subsidiaries	**$ 64,110**	**33,265**	**219,032**	**59,728**

7.Loans to related parties

The loans to related parties were as follows:

	December 31, 2025	December 31, 2024
Subsidiaries	$ 75,577,679	78,627,107

The Company provides loans to related parties with no interest bearing, and all loans are unsecured. After evaluation, there is no need to recognize impairment losses.

8.Guarantee

As of December 31, 2025 and 2024, the Company had provided a guarantee for its subsidiaries' loans, which has a total credit limit of USD1,900,000 thousand and USD980,000 thousand, respectively, and actual usage amounts were USD500,000 thousand and USD980,000 thousand, respectively.

9.Others

		For the Years Ended December 31,	
Account	Category of related party	2025	2024
Rental income	EWC	$ 12,466	12,774
Rental income	Other subsidiaries	5,165	5,165
Rental income	Other related parties	357	1,338
Other income	Other subsidiaries	38,263	42,917
Other income	Other related parties	5,399	4,909
Other income	Affiliates	200	206
Interest income	QMH	-	2,567
Rental expense	QCG	30,695	102,480
Rental expense	Other subsidiaries	34,242	43,798
Repairs and maintenance	Other subsidiaries	2,654,550	656,159
Processing fee	QCG	944,513	591,344
Research expense	Other subsidiaries	407,652	362,937
Donation expense	QAF	25,000	16,000
Donation expense	QMTF	20,000	10,000
Donation expense	QCF	30,000	30,122
Donation expense	LYCF	2,000	2,000
Donation expense	Other related parties	1,000	1,000
Employee benefits	EWC	861,854	621,785
Other expense	Other subsidiaries	319,427	256,194
Other expense	Other related parties	75	74
Other expense	Affiliates	24	7,817

(d) Transactions with key management personnel

Compensation for key management personnel includes:

	For the Years Ended December 31,	
	2025	2024
Short-term employee benefits	$ 1,323,971	1,093,854
Post-employment benefits	2,049	2,016
	$ 1,326,020	**1,095,870**

(8) Assets Pledged as Security

The carrying amount of assets pledged as security were as follows:

Assets pledged as security	Object	December 31, 2025	December 31, 2024
Pledged time deposits	Customs collateral	$ 95,419	50,668
Guarantee deposits paid	Deposits for office and factory lease, and long-term material purchase contracts, etc.	644,299	414,451
		$ 739,718	**465,119**

(9) Significant Commitments and Contingencies

(a) Unrecognized contractual commitments:

1. The contractual commitments for the acquisition of property, plant and equipment not recognized by the Company were as follows:

	December 31, 2025	December 31, 2024
Property, plant and equipment	**$ 1,643,464**	**1,500,456**

(b) Promissory notes issued as guarantee for borrowings, plant leases, foreign exchange forward contracts, and import or export bills advance, were as follows:

	December 31, 2025	December 31, 2024
NTD	$ 59,810,000	52,110,000
USD (in thousands)	13,896,850	9,478,850

(c) As of December 31, 2025 and 2024, the guarantee notes received from outsourcing, vendor performance, and construction contracts amounted to $389,162 and $503,530, respectively.

(10) Losses Due to Major Disasters : None.

(11) Subsequent Events

(a) The Company intends to participate in the cash capital increase through the issuance of preferred stocks by Pasqal SAS with the approval from the Board of Directors, based on business needs, with the maximum investment amount of EUR25,000 thousand, within a permissible variance of plus or minus 2%.

(b) In order to raise funds required for future development, the Board of Directors resolved to issue common shares within a limit of up to 245,000 thousand shares for a cash capital increase and participate in the issuance of overseas depositary receipts on February 26, 2026. This proposal will be executed upon approval by the shareholders' meeting in accordance with applicable laws.

(12) Others

(a) The employee benefits, depreciation, depletion and amortization expenses categorized by function were as follows:

By function / By item	For the Years Ended December 31, 2025			For the Years Ended December 31, 2024		
	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefits						
Salary	3,745,051	21,934,211	25,679,262	3,272,951	19,468,412	22,741,363
Labor and health insurance	309,078	1,048,514	1,357,592	274,852	896,141	1,170,993
Pension	130,233	565,910	696,143	112,048	493,836	605,884
Remuneration of directors	-	14,000	14,000	-	14,000	14,000
Others	375,247	837,315	1,212,562	279,856	624,224	904,080
Depreciation	1,501,030	961,596	2,462,626	1,680,235	733,247	2,413,482
Amortization	5,639	94,987	100,626	3,675	62,255	65,930

For the years ended December 31, 2025 and 2024, the number of employees and employee benefits expenses of the Company were as follows:

	For the Years Ended December 31,	
	2025	2024
Number of employees	11,584	10,873
Number of directors who were not employees	4	4
The average employee benefits	$ 2,500	2,339
The average salaries and wages	$ 2,218	2,092
The adjustment rate of average employee salaries	6.02 %	28.50 %
Remuneration of Supervisors	$ -	-

The remuneration policy (including directors, managers and employees) of the Company are as below:

In order to implement corporate governance and improve the remuneration system for directors and managers of the Company, the Company has formulated the "Remuneration Committee Charter" and established the "Remuneration Committee" in accordance with the law. The following lists the main authority of the Committee:

- Formulate and regularly review the policies, systems, standards and structures of the performance evaluation and the remuneration of directors and mangers.
- Regularly evaluate and determine the remuneration of directors and managers.

The remuneration of managers and employees includes cash remuneration, stock options, dividends, retirement benefits or severance pay, allowances and other measures with substantial incentives.

The remuneration policies are described as follows:

1.Director:

1) The remuneration policy of the directors is clearly stipulated in the Articles of Incorporation. The Company formulated "The Performance Evaluation Measures of Board of Directors and Functional Committee". The Board of Directors and individual members are parties being evaluated.

2) At the end of each year, the Board of Directors and functional committee evaluate the performance for the current year based on the evaluation index. The evaluation should be completed before the end of the first quarter of the following year to ensure that the operation of the Board of Directors is implemented in accordance with relevant laws and regulations. The results should be reported to the Remuneration Committee and be taken as reference to the relevant remuneration distribution.

3) In addition to the Articles of Incorporation, the execution of the directors' performance evaluation and the convention of general industry are also taken as reference to determine the remuneration of directors. The remuneration is closely related to the performance of the business. It should be reviewed by the Remuneration Committee and be implemented after being approved by the Board of Directors. The information should be reported to shareholders' meeting and be disclosed in the annual report.

2.Manager

The remuneration of managers is based on the relevant regulations of the Company, considering the position, education, experience, industry status, and their performance and achievement of long- and short-term goals. The remuneration is adjusted according to the profitability and operational risks of the Company. The standard of the performance evaluation of managers, linking ESG sustainability development indicatiors, the annual and long-term performance goals, and the policies, regulations, standards, and structures of the remuneration, are regularly reviewed by the Remuneration Committee with the annual remuneration distribution plan. The remuneration of managers is submitted to the Board of Directors for approval.

3.Employee

1) The remuneration policies of employees are based on relevant laws and regulations, in reference to the salary market, the macro-economic environment, changes of industrial boom, and the operation of the Company.

2) The salary of employees is determined based on their education level, professional knowledge, skills, seniority, and the required occupational competence, responsibility, and complexity of different positions. The outcome should not be influenced by age, gender, race, religion, political stance, marital status, and union affiliation.

3) Year-end bonus and employee compensation:

The Company contributes the year-end bonus and employee compensation based on the operational performance. The employee performance evaluation is taken as reference to the distribution of bonus and compensation.

4) Annual salary adjustment:

In order to motivate and retain talented employees, the Company considers the operational performance, domestic economic growth rate, salary level of the industrial job market, and employee performance evaluation to annually adjust the salary.

(13) Other Disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the year ended December 31, 2025:

1. Fund financing to other parties:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Number (Note 1)	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other party during the period (Foreign Currencies in Thousands)	Ending balance (Foreign Currencies in Thousands)	Actual usage amount during the period (Foreign Currencies in Thousands)	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	Loss allowance	Collateral		Individual funding loan limits (Note 3)	Maximum limit of fund financing (Note 3)
													Name	Value		
0	The Company	QCH	Other receivables	Yes	166,579,000 (USD 5,300,000)	166,579,000 (USD 5,300,000)	75,577,679 (USD 2,404,635)	-	1	972,890,232	Business contact	-		-	243,577,029	243,577,029
1	TCC	DSY	〃	Yes	89,432 (RMB 20,000)	89,432 (RMB 20,000)	89,432 (RMB 20,000)	2.50 %	2	-	Business operation	-		-	117,940	6,756,475

Note 1: The numbers denote the following:
1. 0 is issuer.
2. Investees are listed by names and numbered starting with 1.

Note 2: Purpose of fund financing for the borrower:
1. For those companies with business contact, please fill in 1.
2. For those companies with short-term financing needs, please fill in 2.

Note 3: Maximum limitation on fund financing:
(1) Limitation on the Company's total fund financing amount and individual party
1) The Company's cumulative total of fund financing amount (including business contact and short-term financing), cannot exceed its net asset value.
2) For those companies with business contact, the amount of each fund financing cannot exceed the trading amount between the two parties. The trading amount means the higher of sales or purchases.

3) The cumulative amount of short-term financing cannot exceed 40% of the net asset value on its most recent financial statements. The amount of each fund financing cannot exceed the borrower's double net asset value, and should be calculated in combination with the amount of guarantees and endorsements for those companies. For subsidiaries not within the territory of the ROC that are 100% directly or indirectly owned by the Company, the amount of fund financing is not restricted to this regulation. However, the cumulative amount still cannot exceed 40% of the Company's net asset value.

For each applying for loans due to business contact, the fund financing amount is limited to its amount of business contact in current portion. Before proceeding the fund financing application, each application should be assessed carefully in accordance with the regulations of Article 3, paragraph 1, of this operating procedure. If it complies with the requirements, the current and previous amount of financing should be aggregated. If the aggregate amount exceeds the amount limitation of "business contact", the excess amount should be reclassified as "short-term financing", and the fund financing items and amounts should be listed separately when the Board of Directors reports the resolution.

The net asset value mentioned above refers to total equity attributable to owners of the parent on the balance sheet which is certified by the external accountant.

(2) Limitation on the subsidiaries' total fund financing amount and individual party

1) The Company's total fund financing amount cannot exceed 40% of its net asset value.
2) For those companies with business contact, the amount of each fund financing cannot exceed the trading amount between the two parties. The trading amount means the higher of sales or purchases.
3) For those companies with short-term financing needs, the amount of each fund financing cannot exceed the borrower's net asset value, and should be calculated together with guarantees and endorsements for those companies. For foreign companies that are 100% directly or indirectly owned by the Company, or foreign companies that are 100% directly or indirectly owned by the Company leading to the Company, the amount of fund financing is not restricted to above 3 items. However, the amount of each fund financing cannot exceed four times of the Company's net asset value.

2. Guarantees and endorsements for other parties:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Number (Note 1)	Name of the guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 2)	Highest balance for guarantees and endorsements during the period (Foreign Currencies in Thousands)	Balance of guarantees and endorsements as of reporting date (Foreign Currencies in Thousands)	Actual usage amount during the period (Foreign Currencies in Thousands)	Property pledged on guarantees and endorsements	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 2)	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 (Note 3)										
0	The Company	QIL	2	243,577,029	74,803,400 (USD 2,380,000)	59,717,000 (USD 1,900,000)	15,715,000 (USD 500,000)	-	24.52 %	243,577,029	Y	N	N
1	TRI	TRS	3	1,374,239	5,724	5,724	-	-	0.08 %	2,748,478	N	N	Y

Note 1: The numbers denote the following:

1. 0 is issuer.
2. Investees are listed by names and numbered starting with 1.

Note 2: Maximum amount for guarantees and endorsements:

1. The total amount of guarantees and endorsements cannot exceed 50% of the Company's net asset value for the current year.
2. The amount of each guarantee and endorsement cannot exceed 20% of the Company's net asset value for the current year.
3. If the amount of each guarantee and endorsement reaches $10,000, the aggregate of the amount of guarantee and endorsement, long-term investment, and fund financing cannot exceed 30% of the Company's net asset value stated in recent financial statements.
4. For guarantees and endorsements to those companies with business contact, the accumulated amount cannot exceed the trading amount between the two parties for the current year.
5. For companies that are more than 90% directly or indirectly owned by the Company, the amount of each guarantee and endorsement cannot exceed 10% of the Company's net asset value.
6. For companies that are 100% directly or indirectly owned by the Company, the amount of each guarantee and endorsement is not restricted to item 1, but cannot exceed the Company's net asset value for the current year.
7. The total amount of guarantees and endorsements of the Company and its subsidiaries cannot exceed 50% of the Company's net asset value for the current year. The amount of guarantees and endorsements of the Company and its subsidiaries for each company cannot exceed 20% of the Company's net asset value for the current year.

Note 3: Maximum amount for guarantees and endorsements of TRI:

1. The total amount of guarantees and endorsements cannot exceed 40% of the Company's net asset value for the current year, and for companies that are 100% directly or indirectly owned by the Company, the amount of each guarantee and endorsement cannot exceed 20% of the Company's net asset value, and for all other entities, the amount of each guarantee and endorsement cannot exceed 10% of the Company's net asset value for the current year.
2. The total amount of guarantees and endorsements of the Company and its subsidiaries cannot exceed 40% of the Company's net asset value for the current year. The amount of guarantees and endorsements of the Company and its subsidiaries for each company cannot exceed 20% of the Company's net asset value for the current year.

Note 4: Relationship with the Company:

1. The company has business relationship.
2. Subsidiaries in which the Company holds more than 50% of its total outstanding common shares.
3. The investee company which is held more than 50% of its total outstanding common shares by the Company and its subsidiaries.
4. For companies that are 90% directly or indirectly owned by the Company.

3. Information regarding securities held at balance sheet date (excluding investment in subsidiaries, associates and joint ventures):

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Number of shares	Carrying amount	Percentage of shares	Fair value (Note 1)	
	Beneficiary Certificate							
The Company	Taishin 1699 Money Market Fund	-	Current financial assets-mandatorily measured at FVTPL	44,937,107	645,719	- %	645,719	
〃	CTBC Hwa-win Money Market Fund	-	〃	81,952,496	954,664	- %	954,664	
〃	UPAMC James Bond Money Market Fund	-	〃	357,617,594	6,316,242	- %	6,316,242	
〃	Fubon Chi-Hsiang Money Market Fund	-	〃	115,995,717	1,923,128	- %	1,923,128	
〃	SinoPac TWD Money Market Fund	-	〃	30,674,785	451,705	- %	451,705	
〃	Fubon Money Market Fund	-	〃	85,889,740	1,349,216	- %	1,349,216	
〃	Common Stock							
〃	AU Optronics Corporation	-	Current financial assets at FVOCI	355,144,245	4,350,517	4.71 %	4,350,517	
〃	aetherAI Co., Ltd.	-	Non-current financial assets-mandatorily measured at FVTPL	13,352,858	445,985	15.03 %	445,985	
〃	Vuzix, Corp.	-	Non-current financial assets at FVOCI	7,692,307	913,888	9.43 %	913,888	
〃	Rigetti Computing Inc.	-	〃	3,020,412	2,102,734	1.06 %	2,102,734	
	Others							
〃	PHI Fund, L.P.	-	Non-current financial assets-mandatorily measured at FVTPL	-	344,622	- %	344,622	
〃	Matter Venture Partners Fund I, L.P.	-	〃	-	800,755	- %	800,755	
	Preferred Stock							
〃	Lumus, LTD.(C-1)	-	Non-current financial assets at FVOCI	317,460	472,347	6.52 %	472,347	
〃	Cesium Astro, Inc.	-	〃	1,284,083	1,200,708	3.60 %	1,200,708	
〃	SEEQC Inc.	-	〃	705,556	547,478	2.72 %	547,478	
〃	Quantinuum	-	〃	1,867,840	1,571,501	0.50 %	1,571,501	
	Common Stock							
QSI	Far EasTone Telecommunications Co., Ltd.	-	Current financial assets at FVOCI	3,709,000	327,505	0.10 %	327,505	
〃	Chuanghwa Telecom Co., Ltd.	-	〃	2,720,000	354,960	0.04 %	354,960	
	Beneficiary Certificate							
〃	Franklin Templeton Sinoam Money Market Fund	-	Current financial assets-mandatorily measured at FVTPL	40,854,094	447,311	- %	447,311	
〃	UPAMC James Bond Money Market Fund	-	〃	17,178,962	303,415	- %	303,415	

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Number of shares	Carrying amount	Percentage of shares	Fair value (Note 1)	
TRI	Taishin 1699 Money Market Fund	-	Current financial assets-mandatorily measured at FVTPL	35,062,622	503,829	- %	503,829	
〃	UPAMC James Bond Money Market Fund	-	〃	158,197,565	2,794,085	- %	2,794,085	
〃	Fubon Money Market Fund	-	〃	25,530,394	401,049	- %	401,049	
	Investments in debt instruments							
〃	Fubon Life Insurance Co., Ltd. 2025 Third Issue of Subordinated Common Corporate Bonds	-	Non-current financial assets measured at amortized cost	-	600,000	- %	600,063	
	Beneficiary Certificate							
QMIT	Shin Kong Chi-Shin Money Market Fund	-	Current financial assets-mandatorily measured at FVTPL	22,075,592	361,276	- %	361,276	
	Others							
QVC	China Renewable Energy Fund, L.P.	-	Non-current financial assets-mandatorily measured at FVTPL	-	624,817	9.49 %	624,817	
	Common Stock							
RTK	The Company	Parent company of RTK	Non-current financial assets at FVOCI	8,108,885	2,205,617	0.21 %	2,205,617	Note 2

Note 1: The market values for unlisted companies are the net asset values. The net asset values use recent unaudited financial statements of those companies.
Note 2: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 3: This table presents the securities that the company has identified for disclosure in accordance with the materiality principle.

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

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Accounts/notes receivable (payable)		Notes
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending Balance	Percentage of total accounts/ notes receivable (payable)	
The Company	QCH	Associate	Sales	(972,890,232)	(57.47)%	Net 120 days	-	-	404,878,726	62.53 %	
〃	QCTJ	〃	〃	(3,721,106)	(0.22)%	〃	-	-	1,110,762	0.17 %	
〃	QCTK	〃	〃	(12,904,999)	(0.76)%	〃	-	-	1,006,089	0.16 %	
〃	QCT-USA	〃	〃	(2,857,815)	(0.17)%	〃	-	-	445,214	0.07 %	
〃	QDL(HK)	〃	〃	(2,272,641)	(0.13)%	〃	-	-	-	- %	
〃	QCTS	The same ultimate parent company	〃	(1,377,015)	(0.08)%	〃	-	-	167,966	0.03 %	
〃	TTC	Associate	〃	(290,514)	(0.02)%	〃	-	-	-	- %	
〃	QCTG	〃	〃	(281,249)	(0.02)%	〃	-	-	272,271	0.04 %	
〃	QCTTW	The same ultimate parent company	〃	(213,473)	(0.01)%	〃	-	-	115,642	0.02 %	

Name of company	Related party	Nature of relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Accounts/notes receivable (payable)		Notes
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending Balance	Percentage of total accounts/ notes receivable (payable)	
The Company	TCC	The same ultimate parent company	Purchases	248,989,151	16.04 %	Net 45~120 days	-	-	(5,896,800)	(2.01)%	
〃	TFC	〃	〃	251,738	0.02 %	〃	-	-	(8,054,383)	(2.74)%	
〃	TFQ	〃	〃	448,272,117	28.87 %	〃	-	-	(17,100,392)	(5.82)%	
〃	QMB	〃	〃	225,629,582	14.53 %	〃	-	-	-	- %	
〃	QCH	Associate	〃	79,931,751	5.15 %	〃	-	-	-	- %	
〃	QDL(HK)	〃	〃	114,590,539	7.38 %	〃	-	-	(93,035,203)	(31.69)%	
〃	QMH	The same ultimate parent company	〃	68,038,641	4.38 %	〃	-	-	-	- %	
QSI	TMT	Associate	Sales	(169,868)	(2.12)%	Net 90 days	-	-	40,063	1.70 %	
〃	〃	〃	Purchases	4,188,407	60.10 %	〃	-	-	(1,338,874)	(54.93)%	
〃	QSS	〃	〃	2,449,968	35.16 %	〃	-	-	(993,502)	(40.77)%	
QSS	QSI	The same ultimate parent company	Sales	(2,449,968)	(99.75)%	〃	-	-	993,502	100.00 %	
TMT	〃	〃	〃	(4,188,407)	(99.00)%	〃	-	-	1,338,874	100.00 %	
〃	〃	〃	Purchases	169,868	4.78 %	〃	-	-	(40,063)	(3.64)%	
JVM	SMTT	Other related parties	〃	195,590	100.00 %	〃	-	-	(81,518)	(100.00)%	
TRI	ORT	〃	Sales	(328,387)	(19.55)%	Net 60 days	-	-	47,788	22.43 %	
〃	TRS	Associate	〃	(352,267)	(20.97)%	Net 120 days	-	-	113,248	52.95 %	
TRS	TRI	〃	Purchases	352,267	97.98 %	〃	-	-	(113,248)	(94.31)%	
QCH	The Company	Ultimate parent company	〃	972,890,232	67.68 %	〃	-	-	(404,878,726)	(75.04)%	
〃	〃	〃	Sales	(79,931,751)	(5.56)%	〃	-	-	-	- %	
〃	QSI-USA	Associate	〃	(3,450,146)	(0.24)%	〃	-	-	3,196,982	1.14 %	
〃	QMN	〃	Purchases	14,289,695	0.99 %	〃	-	-	(3,374,153)	(0.63)%	
QCT-USA	The Company	Ultimate parent company	〃	2,857,815	89.19 %	〃	-	-	(445,214)	(97.66)%	
QCTK	〃	〃	〃	12,904,999	100.00 %	〃	-	-	(1,006,089)	(100.00)%	
QCTJ	〃	〃	〃	3,721,106	100.00 %	〃	-	-	(1,110,762)	(100.00)%	
QCTG	〃	〃	〃	281,249	99.20 %	〃	-	-	(272,271)	(96.47)%	
QDL(HK)	〃	〃	Sales	(114,590,539)	(95.42)%	Net 45~120 days	-	-	93,035,203	97.85 %	
〃	〃	〃	Purchases	2,272,641	1.89 %	Net 120 days	-	-	-	- %	
QSI-USA	QCH	Associate	〃	3,450,146	100.00 %	〃	-	-	(3,196,982)	(100.00)%	

Name of company	Related party	Nature of relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Accounts/notes receivable (payable)		Notes
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending Balance	Percentage of total accounts/ notes receivable (payable)	
QMB	The Company	Ultimate parent company	Sales	(225,629,582)	(94.13)%	Net 45~120 days	-	-	-	- %	
〃	TFQ	The same ultimate parent company	〃	(6,982,053)	(2.91)%	〃	-	-	1,359,844	2.23 %	
〃	TCC	〃	〃	(4,332,581)	(1.81)%	〃	-	-	562,978	0.92 %	
〃	〃	〃	Purchases	281,531	0.12 %	Net 45 days	-	-	(35,079)	(0.05)%	
〃	TFC	〃	〃	128,442	0.05 %	Net 45~120 days	-	-	(108,769)	(0.14)%	
〃	TFQ	〃	〃	11,968,535	5.07 %	〃	-	-	(546,770)	(0.71)%	
QMN	QCH	Associate	Sales	(14,289,695)	(100.00)%	Net 120 days	-	-	3,374,153	99.59 %	
QCTTW	The Company	Ultimate parent company	Purchases	213,473	99.94 %	〃	-	-	(115,642)	(100.00)%	
TLC	TFC	Associate	Sales	(137,933)	(33.26)%	Net 45~120 days	-	-	25,072	35.44 %	
〃	TCC	〃	Purchases	116,635	25.46 %	Net 60~120 days	-	-	(7,470)	(49.22)%	
TCC	The Company	Ultimate parent company	Sales	(248,989,151)	(90.21)%	Net 45~120 days	-	-	5,896,800	25.95 %	
〃	TFQ	Associate	〃	(922,659)	(0.33)%	〃	-	-	-	- %	
〃	TLC	〃	〃	(116,635)	(0.04)%	Net 60~120 days	-	-	7,470	0.03 %	
〃	TTC	〃	〃	(26,001,480)	(9.42)%	Net 45 days	-	-	5,837,302	25.69 %	
〃	QMH	The same ultimate parent company	〃	(368,874)	(0.13)%	Net 45~120 days	-	-	37,183	0.16 %	
〃	QMB	〃	〃	(281,531)	(0.10)%	Net 45 days	-	-	35,079	0.15 %	
〃	〃	〃	Purchases	4,332,581	1.60 %	Net 45~120 days	-	-	(562,978)	(1.40)%	
〃	TFC	Associate	〃	265,983	0.10 %	〃	-	-	(347,575)	(0.86)%	
〃	TFQ	〃	〃	136,060	0.05 %	〃	-	-	(45,230)	(0.11)%	
〃	QMH	〃	〃	2,171,567	0.80 %	〃	-	-	(1,636,190)	(4.07)%	
TFC	The Company	Ultimate parent company	Sales	(251,738)	(24.72)%	〃	-	-	8,054,383	91.24 %	
〃	QMB	The same ultimate parent company	〃	(128,442)	(12.61)%	〃	-	-	108,769	1.23 %	
〃	TCC	Associate	〃	(265,983)	(26.12)%	〃	-	-	347,575	3.94 %	

Name of company	Related party	Nature of relationship	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Accounts/notes receivable (payable)		Notes
			Purchase/ Sale	Amount	Percentage of total purchases/ sales	Payment terms	Unit price	Payment terms	Ending Balance	Percentage of total accounts/ notes receivable (payable)	
TFC	TLC	Associate	Purchases	137,933	9.77 %	Net 45~120 days	-	-	(25,072)	(100.00)%	
TFQ	The Company	Ultimate parent company	Sales	(448,272,117)	(96.05)%	″	-	-	17,100,392	17.41 %	
″	TCC	Associate	″	(136,060)	(0.03)%	″	-	-	45,230	0.05 %	
″	QMB	The same ultimate parent company	″	(11,968,535)	(2.56)%	Net 45 days	-	-	546,770	0.56 %	
″	TCC	Associate	Purchases	922,659	0.20 %	Net 45~120 days	-	-	-	- %	
″	QMB	The same ultimate parent company	″	6,982,053	1.51 %	Net 45 days	-	-	(1,359,844)	(1.34)%	
″	KSH	Associate	″	214,028	0.05 %	″	-	-	(18,897)	(0.02)%	
KSH	TFQ	″	Sales	(214,028)	(10.10)%	″	-	-	18,897	2.50 %	
TTC	TCC	″	Purchases	26,001,480	99.34 %	″	-	-	(5,837,302)	(99.47)%	
″	The Company	Ultimate parent company	″	290,514	1.11 %	Net 120 days	-	-	-	- %	
QCTS	″	″	″	1,377,015	100.00 %	″	-	-	(167,966)	(100.00)%	
QMH	″	″	Sales	(68,038,641)	(97.19)%	Net 45~120 days	-	-	-	- %	
″	TCC	The same ultimate parent company	″	(2,171,567)	(3.10)%	Net 45~121 days	-	-	1,636,190	10.95 %	
″	″	″	Purchases	368,874	0.53 %	Net 45 days	-	-	(37,183)	(0.19)%	

Note 1: The purchase/sale prices listed above are not comparable to the one for other trading partners. There is no significant difference in terms and conditions of the agreed payment terms and general purchasing terms.

5. Receivables from related parties with amount exceeding the lower of $100 million or 20% of capital stock:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of related party	Related-party	Nature of relationship	Ending balance	Turnover rate	Past-due receivables from related party		Amount received in subsequent period	Loss allowance
					Amount	Action taken		
The Company	QCH	Associate	404,878,726	3.68	-	-	81,525,160	-
″	″	″	75,577,679	-	-	-	-	-
″	QCTJ	″	1,110,762	3.30	-	-	368,007	-
″	QCTG	″	272,271	1.75	-	-	-	-
″	QCTK	″	1,006,089	5.42	-	-	414,950	-

Name of related party	Related-party	Nature of relationship	Ending balance	Turnover rate	Past-due receivables from related party		Amount received in subsequent period	Loss allowance
					Amount	Action taken		
The Company	QCTTW	The same ultimate parent company	115,642	2.63	-	-	2,058	-
〃	QCT-USA	〃	445,214	3.95	-	-	52	-
〃	QCTS	〃	167,966	4.30	-	-	-	-
〃	QMB	〃	1,008,635	-	-	-	-	-
〃	QMH	〃	2,444,346	-	-	-	-	-
QSS	QSI	〃	993,502	2.36	-	-	-	-
TMT	〃	〃	1,338,874	3.32	-	-	-	-
TRI	TRS	Associate	113,248	2.77	-	-	-	-
TCC	The Company	Ultimate parent company	5,896,800	16.81	-	-	-	-
〃	TTC	Associate	5,837,302	3.52	-	-	-	-
TFQ	The Company	Ultimate parent company	17,100,392	18.53	-	-	-	-
〃	QMB	The same ultimate parent company	546,770	25.83	-	-	-	-
TFC	QMB	〃	108,769	1.93	-	-	-	-
〃	TCC	Associate	347,575	1.08	-	-	-	-
〃	The Company	Ultimate parent company	8,054,383	0.03	-	-	-	-
QMN	QCH	Associate	3,374,153	5.85	-	-	-	-
QCH	QSI-USA	〃	3,196,982	2.11	-	-	-	-
QCN	QSN	〃	415,420	0.08	-	-	-	-
QDL(HK)	The Company	Ultimate parent company	93,035,203	2.46	-	-	-	-
QMB	TCC	The same ultimate parent company	562,978	5.65	-	-	-	-
〃	TFQ	〃	1,359,844	10.23	-	-	-	-
QSI-USA	QCA	Associate	2,066,904	-	-	-	-	-
QCG	The Company	Ultimate parent company	277,749	-	-	-	-	-
QMH	TCC	The same ultimate parent company	1,636,190	2.65	-	-	-	-

(b) Information on investees:

For the year ended December 31, 2025, the following is the information on investees (excluding information on investees in Mainland China):

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Balance as of December 31, 2025			Net income (loss) of the investee	Investment income (loss)	Note
				December 31, 2025	December 31, 2024	Shares	Ratio of shares	Carrying amount			
The Company	QCJ	Japan	After-sales service and sale of computers and telecommunication products	3,115	3,115	200	100.00 %	2,021	8	8	

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Balance as of December 31, 2025			Net income (loss) of the investee	Investment income (loss)	Note
				December 31, 2025	December 31, 2024	Shares	Ratio of shares	Carrying amount			
The Company	QIL and its subsidiaries	Cayman, U.S.A., etc.	Investment company, holding company, sale, manufacture and after-sales service of computer peripherals	54,870,180	42,618,368	174,579,000	100.00 %	77,852,536	3,611,142	3,079,344	Note 1
〃	QSI and its subsidiaries	Taiwan	Manufacture and sale of computer storage devices and peripherals	243,142	243,142	82,881,664	29.78 %	3,471,153	1,004,416	299,066	
〃	QVC	Taiwan	Venture capital	2,000,133	2,000,133	200,000,000	100.00 %	1,938,374	(186,415)	(186,415)	
〃	QADC	U.S.A	Research and development of electronic products	31,430	31,430	1,000,000	100.00 %	15,990	(4,992)	(4,992)	
〃	QCTI	Taiwan	Investment company	600,000	600,000	60,000,000	100.00 %	656,210	12,317	12,317	
〃	QMIT and its subsidiaries	Taiwan	Electronic company and import and export business and wholesale of electronic products	232,750	232,750	17,500,000	75.19 %	353,472	(944)	(710)	
〃	RTK and its subsidiaries	Taiwan	Design, manufacture, processing, distribute and sale of satellite guided navigation systems and peripherals, navigated maps, and digital maps	807,586	807,586	18,603,598	36.76 %	197,271	98,605	(69,168)	
〃	QCTTW and its subsidiaries	Taiwan	Sale of computers and peripherals	741,995	741,995	48,200,000	100.00 %	181,577	33,850	33,821	
〃	EBN Technology Corporation	Taiwan	Manufacture of electronic components	125,625	125,625	8,375,000	25.00 %	-	(40,907)	-	
〃	QT Medical, Inc.	U.S.A	Research and development and manufacture of medical equipment	-	125,682	-	- %	-	-	(5,750)	
〃	QMB	Thailand	Manufacture and sale of computers, peripherals and consumer products	3,071,287	3,071,287	699,999,997	100.00 %	7,480,431	2,515,479	2,449,707	Note 1
〃	QCTS	Singapore	Sale and after-sales service of computer peripherals	78,575	78,575	2,500,000	100.00 %	32,482	42,068	42,068	
〃	aetherAI Co., Ltd.	Taiwan	Research and development and manufacture of medical equipment	-	341,894	-	- %	-	(60,263)	(8,980)	
〃	LIONS Taiwan Technology Inc.	Taiwan	Sale of computers and peripherals	173,632	173,632	4,574,146	15.80 %	100,140	(52,617)	(10,587)	
〃	QMH	Vietnam	Manufacture and sale of computers, peripherals and consumer products	3,143,000	2,200,100	-	100.00 %	2,937,327	573,631	521,592	Note 1
〃	QSDC	Singapore	Research and development of electronic products	48,285	48,285	1,500,000	100.00 %	39,796	(8,187)	(8,187)	
〃	QMHP	Vietnam	Providing accommodation services to domestic and foreign experts and workers in the industrial park	157,150	-	-	100.00 %	157,136	(14)	(14)	

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Balance as of December 31, 2025			Net income (loss) of the investee	Investment income (loss)	Note
				December 31, 2025	December 31, 2024	Shares	Ratio of shares	Carrying amount			
The Company	Wellheart Medical, Inc.	Cayman	Research and development and manufacture of medical equipment	125,682	-	2,192,315	11.11 %	95,216	(66,117)	(1,446)	
QSI	QSI (CAYMAN)	Cayman	Investment company	1,217,878	1,273,544	-	100.00 %	1,333,056	(4,204)	(4,050)	Note 1 and 4
〃	NU Inc.	Taiwan	Wholesale and retail of computers and peripherals	86,709	86,709	3,862,227	29.80 %	21,528	(340)	(273)	
〃	EBN Technology Corporation	Taiwan	Manufacture of electronic components	10,978	10,978	1,001,000	2.98 %	-	(40,907)	-	
〃	TMT	Thailand	Manufacture and sale of computer peripheral storage devices and related components	1,446,975	1,446,975	15,999,998	100.00 %	2,403,636	186,020	216,401	Note 1
〃	TRI	Taiwan	Manufacture and sale of industrial collaborative robots	825,368	833,651	69,757,000	66.82 %	4,561,691	136,370	96,635	Note 1
〃	JVM	Malaysia	Sale of computer peripheral storage devices and related components	15,214	15,214	2,040,000	51.00 %	25,647	2,331	1,189	
〃	TMM	Malaysia	Manufacture and sale of computer peripheral storage devices and related components	69,765	-	10,000,000	100.00 %	76,826	1,889	1,889	Note 1
QSI (CAYMAN)	QSL (BVI)	BVI	Investment company	959,244	959,244	-	100.00 %	1,308,764	(4,715)	(4,715)	
〃	E-Forward (SAMOA)	SAMOA	Manufacture and sale of computer peripheral storage devices and related components	-	-	-	- %	-	-	-	
QSL (BVI)	QHH	Hong Kong	Investment company	870,570	870,570	-	100.00 %	1,299,734	(4,850)	(4,850)	
〃	QIH	Hong Kong	Investment company	-	103,962	-	- %	-	(40)	(40)	Note 3
TRI	TRH	Hong Kong	Investment company	120,943	120,943	4,000,000	100.00 %	17,765	15,028	15,028	
JVM	JVMT	Thailand	Sale of computer peripheral storage devices and related components	5,299	5,299	-	100.00 %	4,731	(79)	(79)	
QCTI	QSI and its subsidiaries	Taiwan	Manufacture and sale of computer storage devices and peripherals	33,526	33,526	1,212,000	0.44 %	53,780	1,004,416	4,373	
〃	RTK and its subsidiaries	Taiwan	Design, manufacture, processing, distribute and sale of satellite guided navigation systems and peripherals, navigated maps, and digital maps	8,571	8,571	409,194	0.81 %	27,983	98,605	797	
〃	QMIT and its subsidiaries	Taiwan	Electronic company and import and export business and wholesale of electronic products	115,500	115,500	5,775,000	24.81 %	119,866	(944)	(234)	

Note 1: The difference between the investee's net income and the investor's recognized income mainly derived from the unrealized gross profit from sales.
Note 2: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 3: On November 29, 2024, the Board of Directors resolved to liquidate QIH, and the liquidation was completed on October 31, 2025.
Note 4: In 2025, the Board of Directors of QSI (CAYMAN) resolved to undertake a capital reduction of USD1,771 thousand. The above amount of capital reduction has been fully remitted back, and the registration of the change has been completed and approved by the Investment Commission, MOEA.

(c) Information on investment in Mainland China:

1. The names of investees in Mainland China, the main business and products, and other information:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Name of the investee in Mainland China (Note 2)	Main business and products	Total amount of capital surplus	Method of investment (Note 1)	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 (loss) of the investee	Direct /indirect shareholding (%) by the Company	Current investment gains and losses (Note 2)	Carrying Amount	Accumulated remittance of earnings in current period
					Outflow	Inflow						
The Company												
TFC (2)1) (Note 4)	Manufacture and sale of computers and peripherals	3,773,172	(2)	1,926,954	-	-	1,926,954	(1,232,721)	100.00 %	(1,232,721)	10,360,239	2,224,163
TCC (2)1)	Manufacture and sale of computers and peripherals	4,026,183	(2)	3,669,297	-	-	3,669,297	2,176,509	100.00 %	2,176,509	16,891,187	14,433,796
TTC (2)1)	Sale and after-sales service of computers and peripherals	702,146	(2)	749,543	-	-	749,543	274,354	100.00 %	274,354	2,645,497	905
TLC (2)1)	After-sales service of laptop computers	251,540	(2)	248,297	-	-	248,297	(16,074)	100.00 %	(16,074)	1,703,194	12,899
TGC (2)1)	Manufacture and sale of computers and peripherals	311,257	(2)	308,014	-	-	308,014	31,978	100.00 %	31,978	975,819	45,057
TWW (2)1)	Warehousing services	298,585	(2)	298,585	-	-	298,585	14,981	100.00 %	14,981	979,948	-
TFQ (2)1)	Processing, manufacture and sale of computers	9,366,140	(2)	9,366,140	-	-	9,366,140	3,452,925	100.00 %	3,452,925	35,817,876	-
TWQ (2)3)	Warehousing services	157,150	(2)	157,150	-	-	157,150	9,856	100.00 %	9,856	403,916	-
TNC (2)1)	Manufacture and sale of computers, mobile communication storage device peripherals and accessories	8,485,471	(2)	8,485,471	-	-	8,485,471	313,995	100.00 %	313,995	1,823,340	-
TCQ (2)1)	Manufacture and sale of computers, mobile communication storage device peripherals and accessories	1,571,500	(2)	1,571,500	-	-	1,571,500	63,717	100.00 %	63,717	2,295,540	-
KSH (2)1)	Manufacture and sale of precision machinery, peripherals and metallic molds	565,740	(2)	247,983	-	-	247,983	(15,061)	100.00 %	(15,061)	1,171,614	-
YDCQ (2)1)	Sale of servers and switches	31,430	(2)	31,430	-	-	31,430	19,498	100.00 %	19,498	352,721	-
DSY (2)3)	Manufacture and sale of optical equipment and electric components	86,749	(2)	22,358	-	-	22,358	7,700	25.77 %	1,984	30,393	-
QCTBJ (2)1)	Software technology development, advisory service, sale of servers and switches	4,472	(2)	4,472	-	-	4,472	(78)	100.00 %	(78)	4,778	-
ZYES (2)1)	Manufacture and sale of computers and peripheral components	2,608,690	(2)	2,786,898	-	-	2,786,898	(8,938)	100.00 %	(8,938)	93,259	-

Name of the investee in Mainland China (Note 2)	Main business and products	Total amount of capital surplus	Method of investment (Note 1)	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 (loss) of the investee	Direct /indirect shareholding (%) by the Company	Current investment gains and losses (Note 2)	Carrying Amount	Accumulated remittance of earnings in current period
					Outflow	Inflow						
SJDT (2)3)	Manufacture and sale of computers and peripheral components	226,296	(2)	42,996	-	-	42,996	9,014	100.00 %	9,014	320,076	-
QSI												
QSS	Manufacture and sale of computer peripheral storage devices and related components	628,600	(2)	628,600	-	-	628,600	(5,127)	100.00 %	(5,127)	1,288,035	3,400,164
TRS	After-sales service and sale of industrial collaborative robots and related components	125,720	(2)	125,720	-	-	125,720	15,028	100.00 %	15,028	40,865	-
QVC												
Guangsheng (Tianjin) Technology Co., Ltd.(2)3)	Computer software development and related consulting and technical services; sale of computer hardware and software and electronic products	67,074	(2)	13,415	-	-	13,415	-	20.00 %	-	-	-

2. Limitation on investment in Mainland China:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company	Accumulated Investment in Mainland China as of December 31, 2025 (Foreign Currencies in Thousands)	Investment Amounts Authorized by Investment Commission MOEA (Foreign Currencies in Thousands)	Limitation on Investment in Mainland China Authorized by Investment Commission MOEA (Note 3)
The Company	29,917,088	37,719,939	-
	(USD 951,846)	(USD 1,200,125)	
QSI	628,600	628,600	-
	(USD 20,000)	(USD 20,000)	
TRI	125,720	125,720	4,122,717
	(USD 4,000)	(USD 4,000)	
QVC	13,415	1,002,937	1,163,024
	(USD 436)	(USD 31,587)	

Note 1: Investments in Mainland China are differentiated by the following three methods:
(1) Direct investment in Mainland China with remittance through a third region.
(2) Indirect investment in Mainland China through an existing investee company in a third region.
(3) Other methods

Note 2: Recognition of investment gain or loss during current period is pursuant to the following:
(1) If the corporation is in the set-up phase, notes are required.
(2) Recognition basis of investment gains or losses is determined by the following three types, and related notes are required.
1) Financial statements of the investee company were audited and certified by an international firm in cooperation with an R.O.C. accounting firm.
2) Financial statements of the investee company were audited and certified by the external accountant of the parent company.
3) Others

Note 3:(1) Maximum limitation of the Company and QSI: In accordance with the Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China revised on August 29, 2008, the Company obtained the certificate of qualified operating headquarters issued by the Industrial Development Bureau, Ministry of Economic Affairs, and therefore no limitations on investment in Mainland China.
(2) Maximum limitation of QVC: the maximum limitation is the higher of $80,000 for small and medium size enterprises or sixty percent of these companies' net asset value or consolidated net asset value.
(3) Maximum limitation of TRI: the maximum limitation is the higher of sixty percent of other enterprises' net asset value or consolidated net asset value.

Note 4: The difference between the issued capital and cumulative investment amount is the difference between the price paid and the cost of the machinery equipment.
Note 5: Viscovery (Cayman) Holding Company Limited, an investee of the Company, holds investments in Mainland China. Therefore, the Company has increased USD72 thousand investment amount authorized by the Investment Commission, MOEA.
Note 6: China Renewable Energy Fund, L.P. (CREF), an investee of QVC, holds investments in Mainland China. Therefore, QVC has increased USD29,399 thousand investment amount authorized by the Investment Commission, MOEA.
Note 7: PHI Fund, L.P., an investee of the Company, holds investments in Mainland China. Therefore, the Company has increased USD4,720 thousand investment amount authorized by the Investment Commission, MOEA.
Note 8: Achi Capital Partners Fund L.P, an investee of the Company, holds investments in Mainland China. Therefore, the Company has increased USD564 thousand investment amount authorized by the Investment Commission, MOEA.

3. Significant transactions:

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

(14) Segment Information

Please refer to the consolidated financial report for the year ended December 31, 2025.

Quanta Computer Inc.

Statement of Cash and Cash Equivalents

December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description			Amount
Cash	Cash on hand			$ 439
	Foreign cash			
	JPY	135	thousand	27
	USD	75	thousand	2,364
	Sub-total			2,830
Cash in banks	Checking accounts			7
	Demand deposits			2,022
	Time deposits			
	USD 155,989 thousand			4,902,734
	2026.01.02 Expired			
	Interest Rate 3.950%			
	Sub-total			4,902,734
	Foreign Demand deposits			
	USD	820,796	thousand	25,797,605
	JPY	110,246	thousand	22,137
	EUR	5,409	thousand	199,582
	GBP	3,955	thousand	167,395
	AUD	3	thousand	53
	SGD	4,106	thousand	100,401
	HKD	71	thousand	285
	RMB	8	thousand	35
	PLN	2	thousand	18
	CAD	-	thousand	5
	CHF	160	thousand	6,347
	SEK	-	thousand	1
	Sub-total			26,293,864
Total				**$ 31,201,457**

Quanta Computer Inc.

Sehedule of Financial Assets Measured at Fair Value through Profit or Loss

December 31, 2025

(In Thousands of New Taiwan Dollars)

Financial instrunents	Description	Number/ Number of shares	Face value	Total amount	Interest rate	Acquisition cost	Fair value		Changes in fair value attributable credit risk	Remarks
							Unit price (NT$)	Total amount		
Fund	Taishin 1699 Money Market Fund	44,937,107	$ -	-	- %	645,690	14.3694	645,719	-	
	Mega Diamond Money Market Fund	13,283,812	-	-	- %	176,367	13.2773	176,373	-	
	Union Money Market Fund	14,192,431	-	-	- %	198,287	13.9714	198,288	-	
	Shin Kong Chi-Shin Money Market Fund	17,749,149	-	-	- %	290,460	16.3654	290,472	-	
	FSITC Taiwan Money Market Fund	8,828,477	-	-	- %	143,093	16.2088	143,099	-	
	Fubon Chi-Hsiang Money Market Fund	115,995,717	-	-	- %	1,923,058	16.5793	1,923,128	-	
	CTBC Hwa-win Money Market Fund	81,952,496	-	-	- %	954,632	11.6490	954,664	-	
	Franklin Templeton Sinoam Money Market Fund	18,267,843	-	-	- %	200,000	10.9490	200,015	-	
	Fubon Money Market Fund	85,889,740	-	-	- %	1,349,156	15.7087	1,349,216	-	
	SinoPac TWD Money Market Fund	30,674,785	-	-	- %	451,668	14.7256	451,705	-	
	Taishin Ta-Chong Money Market Fund	12,450,651	-	-	- %	187,315	15.0457	187,329	-	
	UPAMC James Bond Money Market Fund	357,617,594	-	-	- %	6,316,040	17.6620	6,316,242	-	
				-		**12,835,766**		**12,836,250**	**-**	

Quanta Computer Inc.

Statement of Trade Receivables

December 31, 2025

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Notes
Related parties：			
QCH	payment	$ 404,878,726	
Other	〃	3,151,678	The amount of individual client does not exceed 5%
Sub-total		408,030,404	
Non-related parties：			
A	〃	151,150,948	
B	〃	9,815,745	
Other	〃	78,494,358	The amount of individual client does not exceed 5%
Sub-total		239,461,051	
Total		647,491,455	
Less: Allowance for impairment		(385,000)	
Net		**$ 647,106,455**	

Quanta Computer Inc.

Statement of Other Receivables

December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Notes
Related parties			
QMB	Raw materials purchased on behalf of related parties	$ 1,008,635	
QMH	〃	2,444,346	
Other		107,579	
	Sub-total	3,560,560	
Non-related parties			
	Other	254,413	
	Allowance for impairment	(27,335)	
	Sub-total	227,078	
Total		**$ 3,787,638**	

Statement of Inventory

Item	Amount		Notes
	Cost	Net realizable value	
Raw materials	$ 85,326,875	83,425,633	Replacement cost
Work-in-process	2,639,278	2,639,278	Net realizable value
Finished goods	13,103,426	12,604,728	〃
Merchandise	22,787,206	21,653,191	〃
Inventory in-transit	2,810,384	2,810,384	〃
Sub-total	126,667,169	**123,133,214**	
Less: Allowance for inventory valuation and obsolescence losses	(3,533,955)		
Total	**$ 123,133,214**		

Quanta Computer Inc.

Statement of Changes in Investments Accounted for Using the Equity Method

For the Year Ended December 31, 2025

(In Thousands of New Taiwan Dollars)

Name of investee	Balance as of January 1, 2025		Additions		Disposal		Balance as of December 31, 2025			Market value or net asset value		Collateral or guarantee	Notes
	Number of shares (thousand)	Amount	Number of shares (thousand)	Amount	Number of shares (thousand)	Amount	Number of shares (thousand)	Ratio of shares	Amount	Price per share (NTD)	Total price		
Long-term equity investment													
QCJ Co., Ltd.	-	$ 2,104	-	$ -	-	$ 83	-	100.00 %	$ 2,021	-	$ 2,021	None	
Quanta International Limited	135,598	74,779,618	38,981	3,072,918	-	-	174,579	100.00 %	77,852,536	535.95	93,564,904	〃	Note 2
Quanta Storage Inc.	82,882	2,518,200	-	952,953	-	-	82,882	29.78 %	3,471,153	107.00	8,868,338	〃	Note 3
Quanta Venture Capital Co., Ltd.	200,000	2,195,459	-	-	-	257,085	200,000	100.00 %	1,938,374	9.69	1,938,374	〃	
Quanta Computer Technology Investment	60,000	644,762	-	11,448	-	-	60,000	100.00 %	656,210	10.94	656,210	〃	
Quanta Microsystem Inc.	17,500	360,940	-	-	-	7,468	17,500	75.19 %	353,472	20.64	361,134	〃	Note 2
QMB Co., Ltd.	600,000	4,654,197	100,000	2,826,234	-	-	700,000	100.00 %	7,480,431	10.78	7,546,203	〃	Note 2
RoyalTek Company Ltd.	18,604	184,514	-	12,757	-	-	18,604	36.76 %	197,271	49.70	924,599	〃	
Quanta Cloud Technology Inc.	48,200	147,037	-	34,540	-	-	48,200	100.00 %	181,577	3.77	181,577	〃	
EBN Technology Corporation	8,375	-	-	-	-	-	8,375	25.00 %	-	-	-	〃	
Quanta Cloud Technology Singapore Pte. Ltd.	2,500	(6,719)	-	39,201	-	-	2,500	100.00 %	32,482	12.99	32,482	〃	
QMHP CO. LTD	-	-	-	157,136	-	-	-	100.00 %	157,136	-	157,136	〃	
Wellheart Medical Inc.	-	-	2,192	95,216	-	-	2,192	11.11 %	95,216	43.43	95,216	〃	
QT Medical Inc.	2,192	102,172	-	-	2,192	102,172	-	- %	-	-	-	〃	
aetherAI Co., Ltd.	13,353	204,518	-	-	13,353	204,518	-	- %	-	-	-	〃	
LIONS Taiwan Technology Inc.	4,574	106,925	-	-	-	6,785	4,574	15.80 %	100,140	21.89	100,140	〃	
QADC Corp.	1,000	21,923	-	-	-	5,933	1,000	100.00 %	15,990	15.99	15,990	〃	
QMH COMPUTER CO. LTD.	-	1,502,160	-	1,435,167	-	-	-	100.00 %	2,937,327	-	2,989,366	〃	Note 2
QSDC Pte. Ltd.	1,500	47,521	-	-	-	7,725	1,500	100.00 %	39,796	26.53	39,796	〃	
Total		**$ 87,465,331**		**$ 8,637,570**		**$ 591,769**			**$ 95,511,132**		**$ 117,473,486**		

Note 1: The market values for unlisted companies are the net asset values. The net asset values use recent unaudited or audited financial statements of those companies.

Note 2: Unrealized gross profit from sales included.

Note 3: Gain from disposal of property, plant and equipment included.

Quanta Computer Inc.

Statement of Long-term Receivable Due From Related Parties

December 31, 2025

(In Thousands of New Taiwan Dollars)

Client	Description	Amount	Notes
QCH	Loans to related parties	$ 75,577,679	

Quanta Computer Inc.

Statement of Short-term Borrowings

December 31, 2025

(In Thousands of New Taiwan Dollars/USD Dollars)

Category of loans	Description			Balance as of December 31, 2025	Contract period	Range of Interest Rate	Loan commitments		Collateral or guarantee	Notes
Credit loan	First Commercial Bank	USD	111,000	$ 3,488,730	To the latest 2026.06.12	4.27%	TWD	3,500,000	Notes	
〃	HSBC Bank	USD	430,000	13,514,900	To the latest 2026.02.13	4.16%~4.28%	USD	430,000	〃	
〃	Bank of Taiwan	USD	187,000	5,877,410	To the latest 2026.01.09	4.29%	USD	200,000	〃	
〃	Taiwan Cooperative Bank	USD	260,000	8,171,800	To the latest 2026.01.05	4.25%	TWD	8,300,000	〃	
〃	Cathay United Bank	USD	300,000	9,429,000	To the latest 2026.01.16	4.27%	USD	300,000	〃	
〃	Land Bank of Taiwan	USD	210,000	6,600,300	To the latest 2026.01.02	4.29%	TWD	7,000,000	〃	
〃	United Overseas Bank	USD	200,000	6,286,000	To the latest 2026.01.16	4.29%	USD	800,000	〃	
〃	Shanghai Commercial & Savings Bank	USD	110,000	3,457,300	To the latest 2026.01.16	4.23%	USD	110,000	〃	
〃	Taipei Fubon Bank	EUR	67,000	2,472,300	To the latest 2026.01.09	2.48%	USD	150,000	〃	Shared credit facilities
〃	Taipei Fubon Bank	JPY	3,000,000	602,400	To the latest 2026.01.09	0.67%	JPY	-	〃	Shared credit facilities
〃	China Construction Bank	USD	350,000	11,000,500	To the latest 2026.01.12	4.23%	USD	350,000	〃	
〃	Mizuho Bank	USD	150,000	4,714,500	To the latest 2026.01.28	4.55%	USD	500,000	〃	
〃	DBS Bank Limited	USD	800,000	25,144,000	To the latest 2026.01.23	4.29%~4.58%	USD	800,000	〃	
〃	Bank of East Asia	USD	70,000	2,200,100	To the latest 2026.01.16	4.26%	USD	70,000	〃	
〃	E.SUN Commercial Bank	USD	120,000	3,771,600	To the latest 2026.01.16	4.19%	TWD	4,000,000	〃	
〃	CTBC Bank	USD	218,000	6,851,740	To the latest 2026.01.09	4.56%	TWD	7,000,000	〃	
〃	Citibank, N.A.	USD	525,600	16,519,608	To the latest 2026.01.20	4.22%~4.27%	USD	525,600	〃	
〃	Citibank Taiwan	USD	82,700	2,599,261	To the latest 2026.01.28	4.22%	USD	90,000	〃	
〃	ING Bank	USD	350,000	11,000,500	To the latest 2026.01.16	4.15%~4.25%	USD	850,000	〃	
〃	Oversea-Chinese Banking Corporation Limited	USD	250,000	7,857,500	To the latest 2026.01.09	4.29%~4.32%	USD	600,000	〃	
〃	Hua Nan Commercial Bank	USD	200,000	6,286,000	To the latest 2026.01.09	4.29%	TWD	6,500,000	〃	
〃	Banco Bilbao Vizcaya Argentaria, S.A.	USD	200,000	6,286,000	To the latest 2026.01.23	4.32%	USD	1,200,000	〃	
〃	Bank of China Limited	USD	150,000	4,714,500	To the latest 2026.01.08	4.27%	USD	500,000	〃	
〃	Bank of Communications	USD	230,000	7,228,900	To the latest 2026.01.07	4.33%	USD	300,000	〃	
〃	Sumitomo Mitsui Banking	USD	200,000	6,286,000	To the latest 2026.01.28	4.44%	USD	350,000	〃	
〃	Yuanta Commercial Bank Co., Ltd.	USD	180,000	5,657,400	To the latest 2026.01.16	4.20%~4.29%	USD	180,000	〃	
〃	Mega International Commercial Bank	USD	250,000	7,857,500	To the latest 2026.01.14	4.15%	USD	250,000	〃	
Total				**$ 195,875,749**						

Quanta Computer Inc.

Statement of Accounts Payable

December 31, 2025

(In Thousands of New Taiwan Dollars)

Client Name	Description	Amount	Notes
Related parties：			
QDL(HK)		$ 93,035,203	
TFQ		17,100,392	
TFC		8,054,383	
Other		6,175,561	The amount of individual client does not exceed 5%
Sub-total		124,365,539	
Non-related parties:			
A		67,898,880	
B		28,965,924	
Other		72,354,979	The amount of individual client does not exceed 5%
Sub-total		169,219,783	
Total		**$ 293,585,322**	

Quanta Computer Inc.

Statement of Other Payables

December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description	Amount
Other payables	Raw materials purchased on behalf of related parties	$ 51,521,884
	Estimated year-end bonus	5,180,694
	Remuneration to employees and directors	7,792,377
	Salary, labor and health insurance	7,878,060
	Other	12,508,297
Total		**$ 84,881,312**

Statement of Contract Liabilities

Item	Description	Amount	Notes
Unearned revenue - afrer-sales service		$ 25,215,678	
Unearned revenue - non-related parties		79,475,524	
		$ 104,691,202	

Quanta Computer Inc.

Statement of Long-term Borrowings

December 31, 2025

(In Thousands of New Taiwan Dollars)

Creditor	Description	Amount of borrowings	Contract period	Range of interest rate	Collateral or guarantee	Notes
National development agreement with TaiShin International Bank		$ 156,250	2019.06.04~2026.06.04	0.7200%	None	
National development agreement with Mega International Commercial Bank		159,184	2019.06.19~2026.06.19	0.7200%	〃	
National development agreement with Taipei Fubon Bank		197,916	2019.06.04~2026.06.04	0.7200%	〃	
National development agreement with E. SUN Commercial Bank		250,000	2019.07.03~2026.07.03	0.7200%	〃	
National development agreement with CTBC Bank		125,000	2019.07.04~2026.07.04	0.7200%	〃	
Less: Current portion		(888,350)				
Total		$ -				

Quanta Computer Inc.

Statement of Operating Revenue

For the Year Ended December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Quantity	Amount	Notes
Revenue from products：			
Electronic products	Note	**$ 1,692,849,026**	

Note: Due to the variety of products, statistical classification is difficult.

Quanta Computer Inc.

Statement of Operating Costs

For the Year Ended December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Amount	
	Sub-total	Total
Cost of goods sold from manufacturing		
Direct material		
Raw material as of January 1, 2025	$ 33,932,024	
Add: Purchases	1,010,485,164	
Less: Scrap and disposal of obsolete materials	(2,795,419)	
After-sales service fee	(11,509,895)	
Requisition from departments	(8,168,337)	
Loss on physical inventory	(1,215)	
Raw material as of December 31, 2025	(88,186,037)	933,756,285
Direct labor		1,836,854
Manufacturing overhead		10,382,051
Manufacturing cost		945,975,190
Add: Work in process as of January 1, 2025		-
Less: Work in process as of December 31, 2025		(2,639,278)
Cost of goods manufactured		943,335,912
Add: Finished goods as of January 1, 2025		11,334,845
Purchases		956,779
Less: Transfer to research expenses		(4,134,583)
Requisition from departments		(598,475)
Scrap and disposal of obsolete inventory		(47,763)
Finished goods as of December 31, 2025		(13,103,426)
Cost of goods sold of self-made finished goods		937,743,289
Merchandise as of January 1, 2025	18,643,013	
Add: Purchases	603,304,265	
Less: Merchandise as of December 31, 2025	(22,738,428)	
Requisition from departments	(128,876)	
Scrap and disposal of obsolete inventory	(14,594)	599,065,380
Cost of goods sold		1,536,808,669
Maintenance costs		14,662,114
Loss on disposal of obsolete inventory and scrap		969,712
Loss of idle capacity		40,963
Loss of inventory valuation and obsolescence		212,378
Loss on physical inventory		1,215
Revenue from sale of scraps		(37,898)
Operating cost		**$ 1,552,657,153**

Quanta Computer Inc.

Statement of Selling Expenses

For the Year Ended December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Notes
Freight		$ 6,105,055	
Royalty		1,272,836	
Salary		1,156,783	
Miscellaneous purchase		1,397,315	
Sample fee		819,009	
Other		2,129,248	The amount of individual item dosen't exceed 5%
		$ 12,880,246	

Statement of General and Administrative Expenses

Item	Description	Amount	Notes
Salary		$ 3,962,872	
Service fee		527,351	
Labor and health insurance		339,952	
Other		1,600,829	The amount of individual item dosen't exceed 5%
		$ 6,431,004	

Quanta Computer Inc.

Statement of Research and Development Expenses

For the Year Ended December 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Notes
Salary		$ 16,828,556	
Research expense		11,744,137	
Other		3,849,804	The amount of individual item dosen't exceed 5%
		$ 32,422,497	