

U.D. Electronic Corp. and Subsidiaries

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
U.D. Electronic Corp.

Introduction

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

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, its consolidated financial performance and its consolidated cash flows for the three months then ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Meng-Kuei Yu and Chiang-Shiun Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 6, 2026

Notice to Readers

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

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

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,635,013	20	\$ 1,356,264	18	\$ 1,501,716	25
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 7 and 21)	601	-	3,864	-	5,732	-
Financial assets at amortized cost - current (Notes 9, 10 and 33)	193,589	2	56,755	1	6,745	-
Notes receivable (Notes 11 and 24)	143,844	2	95,401	1	10,006	-
Trade receivables (Notes 11 and 24)	2,010,557	25	2,154,873	28	1,789,473	30
Other receivables (Note 11)	46,488	1	70,356	1	34,492	1
Current tax assets	4,693	-	4,529	-	747	-
Inventories (Note 12)	986,404	12	887,148	11	672,316	11
Other current assets (Note 19)	168,587	2	153,446	2	189,184	3
Total current assets	5,189,776	64	4,782,636	62	4,210,411	70
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	95,674	1	98,342	1	77,972	1
Investments accounted for using the equity method (Note 14)	-	-	-	-	3,876	-
Property, plant and equipment (Notes 15 and 33)	1,754,605	22	1,726,995	23	1,340,336	22
Right-of-use assets (Notes 16 and 33)	175,375	2	172,371	2	169,054	3
Investment properties	4,801	-	4,718	-	-	-
Other intangible assets (Note 18)	27,453	-	27,561	-	22,493	1
Goodwill (Note 17)	687,405	9	663,458	9	6,103	-
Deferred tax assets	32,123	-	60,372	1	29,532	1
Other non-current assets (Note 19)	161,115	2	136,213	2	134,016	2
Total non-current assets	2,938,551	36	2,890,030	38	1,783,382	30
TOTAL	\$ 8,128,327	100	\$ 7,672,666	100	\$ 5,993,793	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 20)	\$ 822,572	10	\$ 567,368	8	\$ 98,000	2
Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	11,717	-	8,061	-	3,783	-
Contract liabilities - current (Note 24)	11,745	-	12,586	-	4,762	-
Trade payables	697,970	9	720,937	10	419,730	7
Other payables (Note 22)	1,332,420	17	1,038,462	14	898,373	15
Current tax liabilities	193,504	2	168,695	2	115,717	2
Lease liabilities - current (Note 16)	-	-	-	-	2,145	-
Current portion of long-term borrowings and bonds payable (Notes 20 and 21)	53,652	1	10,764	-	167,275	3
Other current liabilities	28,056	-	28,609	-	33,573	-
Total current liabilities	3,151,636	39	2,555,482	34	1,743,358	29
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 20)	-	-	50,000	1	3,932	-
Deferred tax liabilities	10,261	-	8,140	-	1,032	-
Lease liabilities - non-current (Note 16)	-	-	-	-	11,187	-
Guarantee deposits received	7,106	-	6,998	-	887	-
Other current liabilities (Notes 22 and 29)	127,471	2	111,495	1	-	-
Total non-current liabilities	144,838	2	176,633	2	17,038	-
Total liabilities	3,296,474	41	2,732,115	36	1,760,396	29
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Share capital						
Ordinary shares	874,116	11	874,116	12	835,703	14
Capital collected in advance	19,794	-	17,311	-	16,554	-
Total share capital	893,910	11	891,427	12	852,257	14
Capital surplus	1,523,888	19	1,502,759	19	1,312,669	22
Retained earnings						
Legal reserve	473,425	6	473,425	6	422,304	7
Special reserve	64,568	1	64,568	1	203,915	4
Unappropriated earnings	1,791,068	22	1,999,067	26	1,447,002	24
Total retained earnings	2,329,061	29	2,537,060	33	2,073,221	35
Other equity	(34,102)	(1)	(125,130)	(2)	(32,560)	(1)
Total equity attributable to owners of the Company	4,712,757	58	4,806,116	62	4,205,587	70
NON-CONTROLLING INTERESTS (Note 23)	119,096	1	134,435	2	27,810	1
Total equity	4,831,853	59	4,940,551	64	4,233,397	71
TOTAL	\$ 8,128,327	100	\$ 7,672,666	100	\$ 5,993,793	100

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

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales (Note 24)	\$ 1,923,908	100	\$ 1,487,655	100
OPERATING COSTS				
Cost of goods sold (Notes 12 and 25)	<u>(1,341,843)</u>	<u>(70)</u>	<u>(1,047,850)</u>	<u>(70)</u>
GROSS PROFIT	<u>582,065</u>	<u>30</u>	<u>439,805</u>	<u>30</u>
OPERATING EXPENSES (Note 25)				
Selling and marketing expenses	(102,817)	(5)	(62,323)	(4)
General and administrative expenses	(151,729)	(8)	(107,050)	(7)
Research and development expenses	(101,505)	(5)	(67,311)	(5)
Expected credit gain (Note 11)	<u>184</u>	<u>-</u>	<u>541</u>	<u>-</u>
Total operating expenses	<u>(355,867)</u>	<u>(18)</u>	<u>(236,143)</u>	<u>(16)</u>
PROFIT FROM OPERATIONS	<u>226,198</u>	<u>12</u>	<u>203,662</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES (Note 25)				
Interest income	1,092	-	5,481	-
Other income	27,060	1	13,802	1
Other gains and losses	(16,716)	(1)	18,447	1
Finance costs	(4,497)	-	(2,093)	-
Share of profit or loss of associates accounted for using the equity method (Note 14)	<u>-</u>	<u>-</u>	<u>(67)</u>	<u>-</u>
Total non-operating income and expenses	<u>6,939</u>	<u>-</u>	<u>35,570</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	233,137	12	239,232	16
INCOME TAX EXPENSE (Notes 4 and 26)	<u>(47,817)</u>	<u>(3)</u>	<u>(51,752)</u>	<u>(3)</u>
NET PROFIT FOR THE PERIOD	<u>185,320</u>	<u>9</u>	<u>187,480</u>	<u>13</u>
OTHER COMPREHENSIVE INCOME (Notes 23 and 26)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at FVTOCI	(2,668)	-	(9,473)	(1)
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>533</u>	<u>-</u>	<u>1,895</u>	<u>-</u>
	<u>(2,135)</u>	<u>-</u>	<u>(7,578)</u>	<u>(1)</u>

(Continued)

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 117,202	6	\$ 49,079	3
Income tax related to items that may be reclassified subsequently to profit or loss	<u>(22,988)</u>	<u>(1)</u>	<u>(9,806)</u>	<u>-</u>
	<u>94,214</u>	<u>5</u>	<u>39,273</u>	<u>3</u>
Other comprehensive income for the period, net of income tax	<u>92,079</u>	<u>5</u>	<u>31,695</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 277,399</u>	<u>14</u>	<u>\$ 219,175</u>	<u>15</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 182,233	10	\$ 188,317	13
Non-controlling interests	<u>3,087</u>	<u>-</u>	<u>(837)</u>	<u>-</u>
	<u>\$ 185,320</u>	<u>10</u>	<u>\$ 187,480</u>	<u>13</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 273,261	14	\$ 220,325	15
Non-controlling interests	<u>4,138</u>	<u>-</u>	<u>(1,150)</u>	<u>-</u>
	<u>\$ 277,399</u>	<u>14</u>	<u>\$ 219,175</u>	<u>15</u>
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	<u>\$ 2.04</u>		<u>\$ 2.23</u>	
Diluted	<u>\$ 2.01</u>		<u>\$ 2.11</u>	

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

(Concluded)

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company										Total Equity
							Other Equity		Non-controlling Interests		
	Share Capital			Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
	Ordinary Share	Capital Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings				Total	
BALANCE AT JANUARY 1, 2025	\$ 802,847	\$ 32,856	\$ 1,240,807	\$ 422,304	\$ 203,915	\$ 1,511,686	\$ (75,014)	\$ 10,446	\$ 4,149,847	\$ 28,960	\$ 4,178,807
Appropriation of 2024 earnings (Note 23)											
Cash dividends distributed by the Company	-	-	-	-	-	(253,001)	-	-	(253,001)	-	(253,001)
Convertible bonds converted to ordinary shares (Note 21)	32,856	(22,102)	54,435	-	-	-	-	-	65,189	-	65,189
Compensation cost of employee share options (Note 28)	-	-	1,419	-	-	-	-	-	1,419	-	1,419
Issuance of ordinary shares under employee share options (Note 23)	-	5,800	16,008	-	-	-	-	-	21,808	-	21,808
Net profit (loss) for the three months ended March 31, 2025	-	-	-	-	-	188,317	-	-	188,317	(837)	187,480
Other comprehensive income (loss) for the three months ended March 31, 2025, net of income tax (Note 23)	-	-	-	-	-	-	39,586	(7,578)	32,008	(313)	31,695
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	188,317	39,586	(7,578)	220,325	(1,150)	219,175
BALANCE AT MARCH 31, 2025	<u>\$ 835,703</u>	<u>\$ 16,554</u>	<u>\$ 1,312,669</u>	<u>\$ 422,304</u>	<u>\$ 203,915</u>	<u>\$ 1,447,002</u>	<u>\$ (35,428)</u>	<u>\$ 2,868</u>	<u>\$ 4,205,587</u>	<u>\$ 27,810</u>	<u>\$ 4,233,397</u>
BALANCE AT JANUARY 1, 2026	\$ 874,116	\$ 17,311	\$ 1,502,759	\$ 473,425	\$ 64,568	\$ 1,999,067	\$ (144,294)	\$ 19,164	\$ 4,806,116	\$ 134,435	\$ 4,940,551
Appropriation of 2025 earnings (Note 23)											
Cash dividends distributed by the Company	-	-	-	-	-	(326,564)	-	-	(326,564)	-	(326,564)
Convertible bonds converted to ordinary shares (Note 23)	-	1,183	5,943	-	-	-	-	-	7,126	-	7,126
Compensation cost of employee share options (Note 28)	-	-	11,511	-	-	-	-	-	11,511	-	11,511
Issuance of ordinary shares under employee share options (Note 23)	-	1,300	3,432	-	-	-	-	-	4,732	-	4,732
Partial acquisition of subsidiaries (Notes 13 and 29)	-	-	243	-	-	(63,668)	-	-	(63,425)	(50,808)	(114,233)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	31,331	31,331
Net profit for the three months ended March 31, 2026	-	-	-	-	-	182,233	-	-	182,233	3,087	185,320
Other comprehensive income (loss) for the three months ended March 31, 2026, net of income tax (Note 23)	-	-	-	-	-	-	93,163	(2,135)	91,028	1,051	92,079
Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	-	182,233	93,163	(2,135)	273,261	4,138	277,399
BALANCE AT MARCH 31, 2026	<u>\$ 874,116</u>	<u>\$ 19,794</u>	<u>\$ 1,523,888</u>	<u>\$ 473,425</u>	<u>\$ 64,568</u>	<u>\$ 1,791,068</u>	<u>\$ (51,131)</u>	<u>\$ 17,029</u>	<u>\$ 4,712,757</u>	<u>\$ 119,096</u>	<u>\$ 4,831,853</u>

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

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 233,137	\$ 239,232
Adjustments for:		
Depreciation expenses	85,892	66,071
Amortization expenses	2,399	1,919
Expected credit gain	(184)	(541)
Net loss (gain) on fair value changes of financial assets and liabilities at FVTPL	3,541	(15,674)
Finance costs	4,497	2,093
Interest income	(1,092)	(5,481)
Dividend income	(11,798)	-
Compensation cost of employee share options	11,511	1,419
Share of loss of associates	-	67
Gain on disposal of property, plant and equipment	(238)	(2,001)
Net gain on foreign currency exchange	(28,303)	(27,800)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	9,851	13,660
Notes receivable	(48,443)	4,412
Trade receivables	173,196	(5,849)
Other receivables	21,923	18,219
Inventories	(99,256)	55,319
Other current assets	(15,141)	(30,283)
Financial liabilities held for trade	(6,489)	(138)
Contract liabilities	(841)	(8,327)
Trade payables	(22,914)	(50,831)
Other payables	(34,691)	(58,644)
Other current liabilities	(553)	(956)
Other non-current liabilities	319	-
Cash generated from operations	276,323	195,886
Interest received	3,094	5,052
Interest paid	(4,141)	(965)
Income tax paid	(15,257)	(27,019)
Net cash generated from operating activities	260,019	172,954
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(136,834)	-
Payments for property, plant and equipment	(73,288)	(77,576)
Proceeds from disposal of property, plant and equipment	2,489	4,252
Increase in refundable deposits	(142)	-
Decrease in refundable deposits	-	39
Payments for intangible assets	(2,183)	(600)

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U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2026	2025
Increase in prepayments for equipment	\$ (26,977)	\$ (84,294)
Other dividends received	<u>11,798</u>	<u>-</u>
Net cash used in investing activities	<u>(225,137)</u>	<u>(158,179)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	298,608	38,000
Repayments of short-term borrowings	(50,060)	-
Repayment of long-term borrowings	-	(138)
Refund of guarantee deposits received	(33)	(20)
Repayment of the principal portion of lease liabilities	-	(1,213)
Proceeds from the exercise of employee share options	4,732	21,808
Partial acquisition of subsidiaries	(102,938)	-
Increase in non-controlling interests	<u>31,331</u>	<u>-</u>
Net cash generated from financing activities	<u>181,640</u>	<u>58,437</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>62,227</u>	<u>40,202</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	278,749	113,414
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,356,264</u>	<u>1,388,302</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,635,013</u>	<u>\$ 1,501,716</u>

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

(Concluded)

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

U.D. Electronic Corp. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) was incorporated in the Republic of China (ROC) on March 18, 2005. The Company is a trading enterprise and mainly engages in selling electronic connectors for telecommunications, data communications and computers.

The Company’s shares have been listed on the Taipei Exchange since October 2012. The shares are widely distributed; therefore, there is no ultimate parent company or ownership interest. The consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 6, 2026.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

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

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

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

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

IFRS 18 “Presentation and Disclosures in Financial Statements”

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

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

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. The total comprehensive income or loss of subsidiaries is attributed to the owners of the Company and non-controlling interests, even when the non-controlling interests result in a deficit balance.

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

See Note 13, Tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policies

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

Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The material accounting judgments and key sources of estimation uncertainty for these interim consolidated financial statements are the same as those applied for the consolidated financial statements for the year ended December 31, 2025.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	\$ 2,525	\$ 3,112	\$ 2,793
Demand deposits	665,079	534,571	401,858
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	<u>967,409</u>	<u>818,581</u>	<u>1,097,065</u>
	<u>\$ 1,635,013</u>	<u>\$ 1,356,264</u>	<u>\$ 1,501,716</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Options of convertible bonds	\$ 9	\$ 24	\$ 661
Foreign exchange forward contracts	<u>592</u>	<u>3,840</u>	<u>5,071</u>
	<u>\$ 601</u>	<u>\$ 3,864</u>	<u>\$ 5,732</u>

Financial liabilities at FVTPL - current

Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	<u>\$ 11,717</u>	<u>\$ 8,061</u>	<u>\$ 3,783</u>

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

	Currency	Maturity Period	Notional Amount (In Thousands)
<u>March 31, 2026</u>			
Sell	USD/NTD	2026.04.14-2026.06.08	USD4,000/NTD125,524
Sell	USD/NTD	2026.04.10-2026.06.12	USD3,500/NTD110,511
Sell	RMB/NTD	2026.04.02-2026.08.04	RMB16,830/NTD75,737
Sell	USD/RMB	2026.05.21-2026.07.22	USD6,500/RMB44,783
Sell	USD/RMB	2026.04.22	USD1,000/RMB6,951
Sell	USD/RMB	2026.05.21	USD5,000/RMB34,331
Sell	USD/RMB	2026.04.22-2026.06.23	USD12,000/RMB82,737
Sell	USD/RMB	2026.06.23	USD5,000/RMB34,305
Sell	USD/RMB	2026.04.30-2026.06.01	USD1,300/RMB8,936

(Continued)

	Currency	Maturity Period	Notional Amount (In Thousands)
<u>December 31, 2025</u>			
Sell	USD/NTD	2026.01.09-2026.02.13	USD3,690/NTD113,089
Sell	USD/NTD	2026.02.13-2026.03.09	USD2,310/NTD72,398
Sell	RMB/NTD	2026.01.05-2026.05.06	RMB22,450/NTD97,752
Sell	USD/RMB	2026.03.23	USD5,000/RMB35,116
Sell	USD/RMB	2026.04.22	USD1,000/RMB6,951
Sell	USD/RMB	2026.01.21-2026.02.23	USD8,000/RMB56,585
Sell	USD/RMB	2026.02.23-2026.04.22	USD8,000/RMB56,127
Sell	USD/RMB	2026.01.21-2026.03.23	USD9,000/RMB63,408
<u>March 31, 2025</u>			
Sell	USD/NTD	2025.5.15	USD1,000/NTD32,791
Sell	USD/NTD	2025.5.6-2025.5.16	USD5,000/NTD164,338
Sell	RMB/NTD	2025.4.2-2025.8.4	RMB12,700/NTD57,085
Sell	USD/RMB	2025.4.22-2025.6.23	USD10,000/RMB72,261
Sell	USD/RMB	2025.6.23-2025.7.23	USD8,000/RMB57,523
Sell	USD/RMB	2025.5.21	USD3,000/RMB21,677
Sell	USD/RMB	2025.4.22-2025.8.20	USD12,000/RMB86,452
Sell	USD/RMB	2025.4.11-2025.8.20	USD3,500/RMB25,205
(Concluded)			

The Group entered into forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Non-current</u>			
Domestic investment			
Unlisted shares			
Emerging Creation Capital Inc.	\$ 20,143	\$ 19,794	\$ 21,021
Dy-Precision Industrial Co., Ltd.	9,403	10,383	2,957
Yongda Investment Co., Ltd.	<u>66,128</u>	<u>68,165</u>	<u>53,994</u>
	<u>\$ 95,674</u>	<u>\$ 98,342</u>	<u>\$ 77,972</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	\$ 186,834	\$ 50,000	\$ -
Restricted assets			
Time deposits with original maturities of more than 3 months	<u>6,755</u>	<u>6,755</u>	<u>6,745</u>
	<u>\$ 193,589</u>	<u>\$ 56,755</u>	<u>\$ 6,745</u>

- a. Restricted assets are the collateral for import tariffs. Refer to Note 33.
- b. Refer to Note 10 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at amortized cost were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Gross carrying amount	\$ 193,589	\$ 56,755	\$ 6,745
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 193,589</u>	<u>\$ 56,755</u>	<u>\$ 6,745</u>

The Group invests only in debt instruments that are rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies. The Group's exposure and the external credit ratings are continuously monitored. The Group reviews changes in bond yields and other publicly available information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date.

In determining the expected credit losses for debt instrument investments, the Group considers the historical default situation of debtors, the current financial condition of debtors, and the future prospects of the industries. As of March 31, 2026, December 31, 2025 and March 31, 2025 the expected credit loss for debt instrument investments held by the Group was 0%.

11. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 143,844	\$ 95,401	\$ 10,006
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 143,844</u>	<u>\$ 95,401</u>	<u>\$ 10,006</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 2,044,427	\$ 2,187,928	\$ 1,799,313
Less: Allowance for impairment loss	<u>(33,870)</u>	<u>(33,055)</u>	<u>(9,840)</u>
	<u>\$ 2,010,557</u>	<u>\$ 2,154,873</u>	<u>\$ 1,789,473</u>
<u>Other receivables</u>			
Business tax refund receivable	\$ 40,251	\$ 67,589	\$ 28,695
Others	<u>6,237</u>	<u>2,767</u>	<u>5,797</u>
	<u>\$ 46,488</u>	<u>\$ 70,356</u>	<u>\$ 34,492</u>

a. Notes receivable and trade receivables

At amortized cost

The average credit period of sales of goods was 60 to 180 days.

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

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtors and an analysis of the debtors' current financial positions and general economic conditions of the industry, along with considering the forecasted GDP and the industry outlook.

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

March 31, 2026

	Not Past Due
Expected credit loss rate	-
Gross carrying amount	\$ 143,844
Loss allowance (Lifetime ECLs)	<u>-</u>
Amortized cost	<u>\$ 143,844</u>

December 31, 2025

	Not Past Due
Expected credit loss rate	-
Gross carrying amount	\$ 95,401
Loss allowance (Lifetime ECLs)	<u>-</u>
Amortized cost	<u>\$ 95,401</u>

March 31, 2025

	Not Past Due
Expected credit loss rate	-
Gross carrying amount	\$ 10,006
Loss allowance (Lifetime ECLs)	<u>-</u>
Amortized cost	<u>\$ 10,006</u>

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

March 31, 2026

	Not Past Due	Past Due Within 60 Days	61 to 120 Days Past Due	121 to 180 Days Past Due	Past Due Over 181 Days	Total
Expected credit loss rate	1.2263%	1.3020%	6.7207%	12.3262%	100%	
Gross carrying amount	\$ 1,935,780	\$ 91,165	\$ 8,138	\$ 1,079	\$ 8,265	\$ 2,044,427
Loss allowance (Lifetime ECLs)	<u>(23,738)</u>	<u>(1,187)</u>	<u>(547)</u>	<u>(133)</u>	<u>(8,265)</u>	<u>(33,870)</u>
Amortized cost	<u>\$ 1,912,042</u>	<u>\$ 89,978</u>	<u>\$ 7,591</u>	<u>\$ 946</u>	<u>\$ -</u>	<u>\$ 2,010,557</u>

December 31, 2025

	Not Past Due	Past Due Within 60 Days	61 to 120 Days Past Due	121 to 180 Days Past Due	Past Due Over 181 Days	Total
Expected credit loss rate	1.0898%	1.6626%	5.8955%	10.4150%	100%	
Gross carrying amount	\$ 2,100,380	\$ 68,867	\$ 8,939	\$ 1,229	\$ 8,513	\$ 2,187,928
Loss allowance (Lifetime ECLs)	<u>(22,742)</u>	<u>(1,145)</u>	<u>(527)</u>	<u>(128)</u>	<u>(8,513)</u>	<u>(33,055)</u>
Amortized cost	<u>\$ 2,077,638</u>	<u>\$ 67,722</u>	<u>\$ 8,412</u>	<u>\$ 1,101</u>	<u>\$ -</u>	<u>\$ 2,154,873</u>

March 31, 2025

	Not Past Due	Past Due Within 60 Days	61 to 120 Days Past Due	121 to 180 Days Past Due	Past Due Over 181 Days	Total
Expected credit loss rate	0.0690%	0.9303%	6.4198%	12.1350%	100%	
Gross carrying amount	\$ 1,682,977	\$ 96,954	\$ 10,343	\$ 2,192	\$ 6,847	\$ 1,799,313
Loss allowance (Lifetime ECLs)	<u>(1,161)</u>	<u>(902)</u>	<u>(664)</u>	<u>(266)</u>	<u>(6,847)</u>	<u>(9,840)</u>
Amortized cost	<u>\$ 1,681,816</u>	<u>\$ 96,052</u>	<u>\$ 9,679</u>	<u>\$ 1,926</u>	<u>\$ -</u>	<u>\$ 1,789,473</u>

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

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ 33,055	\$ 10,400
Less: Net reversal of remeasurement of loss allowance	(184)	(541)
Less: Amounts written off	-	(82)
Foreign exchange gains and losses	<u>999</u>	<u>63</u>
Balance at March 31	<u>\$ 33,870</u>	<u>\$ 9,840</u>

b. Other receivables

Other receivables mainly contain business tax refunds receivable and others. The policy that the Group adopted is to carry out a transaction only with company with good credit. The Group continuously tracks the overdue record of the past and analyzes its financial situation to evaluate if there is a significant increase in the credit risk and measure the expected credit loss. As of March 31, 2026, December 31, 2025 and March 31, 2025, the expected credit risk was considered 0% by the assessment of the Group.

12. INVENTORIES

	March 31, 2026	December 31, 2025	March 31, 2025
Finished goods	\$ 380,497	\$ 427,382	\$ 334,479
Work in progress	258,519	205,453	159,061
Raw materials and supplies	<u>347,388</u>	<u>254,313</u>	<u>178,776</u>
	<u>\$ 986,404</u>	<u>\$ 887,148</u>	<u>\$ 672,316</u>

The nature of the cost of goods sold is as follows:

	For the Three Months Ended March 31	
	2026	2025
Cost of inventories sold	<u>\$ 1,341,843</u>	<u>\$ 1,047,850</u>

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements are as follows:

Investor	Investee	Investee's Company Type/Main Business	Proportion of Ownership (%)			Remark
			March 31, 2026	December 31, 2025	March 31, 2025	
U.D. Electronic Corp.	Global Connection (Samoa) Holding Inc.	Holding company	100	100	100	Foreign exchange risk is the major operational risk
U.D. Electronic Corp.	CDE Corp.	Manufacturing and selling of electronic materials	100	100	100	Market risk is the major operational risk
U.D. Electronic Corp.	DYP Corp.	Selling of electronic components	51	51	51	Market risk is the major operational risk
U.D. Electronic Corp.	U.D. Electronic Vietnam Company Limited	Manufacturing and selling of electronic components	100	100	100	Foreign exchange and market risks are major operational risks
U.D. Electronic Corp.	Jinyue Investment Co., Ltd.	General investment	100 (Note 1)	100 (Note 1)	100 (Note 1)	Market risk is the major operational risk
U.D. Electronic Corp.	KAYO UDE Limited	International trading	51 (Note 5)	-	-	Foreign exchange and market risks are major operational risks
Global Connection (Samoa) Holding Inc.	Sunderland Inc.	Holding company	100	100	100	Foreign exchange risk is the major operational risk
Global Connection (Samoa) Holding Inc.	San Francisco Inc.	Holding company	100	100	100	Foreign exchange risk is the major operational risk
Global Connection (Samoa) Holding Inc.	All First International Co., Ltd.	International trading	100	100	100	Foreign exchange and market risks are major operational risks
DYP Corp.	Ta Yang UDE Limited	Holding company	100	100	100	Foreign exchange risk is the major operational risk
Sunderland Inc.	Dongguan Jian Guan P.E. Co., Ltd.	Manufacturing and selling of electronic components	100	100	100	Political, foreign exchange, and market risks are major operational risks
Sunderland Inc.	Dongguan U.D.E. Electronics Corp.	Researching and selling of electronic components	100	100	100	Political, foreign exchange, and market risks are major operational risks
San Francisco Inc.	Zhong Jiang U.D.E. Electronics Corp.	Manufacturing and selling of electronic components	100	100	100	Political, foreign exchange, and market risks are major operational risks
Zhong Jiang U.D.E. Electronics Corp.	Zhong Jiang U.D.E. Networking Electronics Corp.	Selling of electronic components	100	100	100	Political, foreign exchange, and market risks are major operational risks
Zhong Jiang U.D.E. Electronics Corp.	Linkpower Electronics Co., Ltd.	Manufacturing and selling of power supplies and LED lighting products	91.09 (Note 3)	82.75 (Note 3)	-	Political, foreign exchange, and market risks are major operational risks
Linkpower Electronics Co., Ltd	Huangshan Yuhao Electronics Co., Ltd.	Manufacturing of electronic components	100 (Note 3)	100 (Note 3)	-	Political, foreign exchange, and market risks are major operational risks
Linkpower Electronics Co., Ltd	NOBLESTYLE ELECTRONICS (HK) CO., LIMITED	International trading	100 (Note 3)	100 (Note 3)	-	Political, foreign exchange, and market risks are major operational risks
Linkpower Electronics Co., Ltd	Hangzhou Qigu Technology Co., Ltd.	Real estate investment business	100 (Note 3)	100 (Note 3)	-	Political, foreign exchange, and market risks are major operational risks
Ta Yang UDE Limited	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Manufacturing and selling of electronic components	100	100	100	Political, foreign exchange, and market risks are major operational risks
Ta Yang UDE Limited	Morning Paragon Limited	International trading	100	100	100	Foreign exchange and market risks are major operational risks
Dongguan Jian Guan P.E. Co., Ltd.	Dongguan Ai Te Chieh Intellectual Technology Co., Ltd.	Machinery and automatic equipment development	- (Note 2)	- (Note 2)	- (Note 2)	Political, foreign exchange, and market risks are major operational risks
Dongguan Jian Guan P.E. Co., Ltd.	Dongguan Han Lian Technology Co., Ltd.	Manufacturing and selling of electronic connectors and electronic products	100 (Note 4)	85	85	Political, foreign exchange, and market risks are major operational risks

- Note 1: The Company established Jinyue Investment Co., Ltd. with a capital of \$30,000 thousand in March 2025, mainly engaged in general investment business.
- Note 2: On October 28, 2024, the Board of Directors of the Group resolved to initiate the liquidation of its subsidiary, Dongguan Ai Te Chieh Intellectual Technology Co., Ltd. The dissolution was subsequently approved on March 11, 2025.
- Note 3: The Group acquired 82.75% shares of Linkpower Electronics Co., Ltd. on December 1, 2025 (the acquisition date) in the amount of RMB239,982 thousand (equivalent to NT\$1,064,492 thousand). Subsequently, in January 2026, an additional 8.34% interest in Linkpower Electronics Co., Ltd. was acquired for a consideration of RMB24,179 thousand (equivalent to NT\$109,187 thousand) pursuant to the mutual agreement, bringing the total aggregate equity interest to 91.09%. As this transaction did not alter the Company's control over Linkpower Electronics Co., Ltd., it was accounted for as an equity transaction. Consequently, the relevant impact recognized from the aforementioned transaction resulted in a downward adjustment to retained earnings in the amount of NT\$63,668 thousand for the three months ended March 31, 2026. For further details, please refer to Note 29.
- Note 4: In January 2026, the Group acquired 15% shares of Dongguan Han Lian Technology Co., Ltd. for a consideration of RMB1,118 thousand (equivalent to NT\$5,046 thousand), thereby increasing its ownership stake from 85% to 100%. As this transaction did not alter the Company's control over Dongguan Han Lian Technology Co., Ltd., it was accounted for as an equity transaction. Consequently, the relevant impact recognized from the aforementioned transaction resulted in an upward adjustment to capital surplus in the amount of NT\$243 thousand for the three months ended March 31, 2026. For further details, please refer to Note 29.
- Note 5: In January 2026, the Group, in joint venture with another entity, established KAYO UDE Limited with a capital contribution of US\$1,020 thousand (equivalent to NT\$32,609 thousand), thereby acquiring a 51% interest. The newly formed entity's primary business operations encompass electronic components trading and order procurement.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associate

	March 31, 2026	December 31, 2025	March 31, 2025
Individually insignificant associate			
Shenzhen Deshenglong Electronics Co., Ltd.	\$ (203)	\$ (196)	\$ 3,876
Add: Transfer investments accounted for using the equity method in credit (Note 22)	<u>203</u>	<u>196</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,876</u>

At the end of the reporting period, the proportion of ownership and voting rights in associate held by the Group were as follows:

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			March 31, 2026	December 31, 2025	March 31, 2025
Shenzhen Deshenglong Electronics Co., Ltd.	Manufacturing of computer hardware, software and peripheral devices	Shenzhen, Guangdong Province, China	40	40	40

Aggregate Information of Associates That are Not Individually Material

	For the Three Months Ended March 31	
	2026	2025
The Company's share of:		
Loss from continuing operations	\$ -	\$ (67)
Other comprehensive income (loss)	<u>-</u>	<u>-</u>
Total comprehensive loss for the year	<u>\$ -</u>	<u>\$ (67)</u>

15. PROPERTY, PLANT AND EQUIPMENT - USED BY THE GROUP

	Freehold Land	Buildings	Machinery and Equipment	Mold Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2026	\$ 159,538	\$ 1,027,727	\$ 1,903,523	\$ 529,039	\$ 559,483	\$ -	\$ 4,179,310
Additions	-	4,620	46,101	10,340	13,483	-	74,544
Disposals	-	-	(7,748)	(3,519)	(21,219)	-	(32,486)
Transfer from prepayments	-	-	70	975	1,172	-	2,217
Effects of foreign currency exchange differences	<u>-</u>	<u>23,291</u>	<u>58,087</u>	<u>19,417</u>	<u>19,445</u>	<u>-</u>	<u>120,240</u>
Balance at March 31, 2026	<u>\$ 159,538</u>	<u>\$ 1,055,638</u>	<u>\$ 2,000,033</u>	<u>\$ 556,252</u>	<u>\$ 572,364</u>	<u>\$ -</u>	<u>\$ 4,343,825</u>
<u>Accumulated depreciation</u>							
Balance at January 1, 2026	\$ -	\$ 298,794	\$ 1,222,092	\$ 446,270	\$ 485,159	\$ -	\$ 2,452,315
Disposals	-	-	(5,754)	(3,416)	(21,065)	-	(30,235)
Depreciation	-	12,634	43,308	14,852	13,536	-	84,330
Effects of foreign currency exchange differences	<u>-</u>	<u>8,944</u>	<u>40,019</u>	<u>16,468</u>	<u>17,379</u>	<u>-</u>	<u>82,810</u>
Balance at March 31, 2026	<u>\$ -</u>	<u>\$ 320,372</u>	<u>\$ 1,299,665</u>	<u>\$ 474,174</u>	<u>\$ 495,009</u>	<u>\$ -</u>	<u>\$ 2,589,220</u>
Carrying amount at December 31, 2025 and January 1, 2026	<u>\$ 159,538</u>	<u>\$ 728,933</u>	<u>\$ 681,431</u>	<u>\$ 82,769</u>	<u>\$ 74,324</u>	<u>\$ -</u>	<u>\$ 1,726,995</u>
Carrying amount at March 31, 2026	<u>\$ 159,538</u>	<u>\$ 735,266</u>	<u>\$ 700,368</u>	<u>\$ 82,078</u>	<u>\$ 77,355</u>	<u>\$ -</u>	<u>\$ 1,754,605</u>
<u>Cost</u>							
Balance at January 1, 2025	\$ 159,538	\$ 284,861	\$ 1,669,836	\$ 506,105	\$ 556,418	\$ 365,852	\$ 3,542,610
Additions	-	-	12,064	2,634	4,195	78,936	97,829
Disposals	-	-	(13,560)	(19,655)	(17,390)	-	(50,605)
Transfer from prepayments	-	-	2,576	17,367	2,177	-	22,120
Effects of foreign currency exchange differences	<u>-</u>	<u>2,365</u>	<u>18,747</u>	<u>7,213</u>	<u>7,713</u>	<u>2,818</u>	<u>38,856</u>
Balance at March 31, 2025	<u>\$ 159,538</u>	<u>\$ 287,226</u>	<u>\$ 1,689,663</u>	<u>\$ 513,664</u>	<u>\$ 553,113</u>	<u>\$ 447,606</u>	<u>\$ 3,650,810</u>
<u>Accumulated depreciation</u>							
Balance at January 1, 2025	\$ -	\$ 149,667	\$ 1,176,067	\$ 424,517	\$ 515,344	\$ -	\$ 2,265,595
Disposals	-	-	(12,647)	(18,317)	(17,390)	-	(48,354)
Depreciation	-	4,600	34,853	13,888	11,217	-	64,558
Effects of foreign currency exchange differences	<u>-</u>	<u>1,402</u>	<u>14,038</u>	<u>6,007</u>	<u>7,228</u>	<u>-</u>	<u>28,675</u>
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 155,669</u>	<u>\$ 1,212,311</u>	<u>\$ 426,095</u>	<u>\$ 516,399</u>	<u>\$ -</u>	<u>\$ 2,310,474</u>
Carrying amount at March 31, 2025	<u>\$ 159,538</u>	<u>\$ 131,557</u>	<u>\$ 477,352</u>	<u>\$ 87,569</u>	<u>\$ 36,714</u>	<u>\$ 447,606</u>	<u>\$ 1,340,336</u>

There was no recognition and reversal of impairment loss for the three months ended March 31, 2026 and 2025.

The above items of property, plant and equipment are depreciated on a straight-line basis over their useful lives estimated as follows:

Buildings	
Main buildings	10-50 years
Others	5-10 years
Machinery and equipment	1-10 years
Mold equipment	1-5 years
Others	
Transportation equipment	4-6 years
Office equipment	2-6 years
Leasehold improvements	1-5 years
Other equipment	1-8 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 33.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amounts</u>			
Land	\$ 175,375	\$ 172,371	\$ 155,403
Buildings	<u>-</u>	<u>-</u>	<u>13,651</u>
	<u>\$ 175,375</u>	<u>\$ 172,371</u>	<u>\$ 169,054</u>
		For the Three Months Ended March 31	
		2026	2025
Depreciation charge for right-of-use assets			
Land		\$ 1,479	\$ 933
Buildings		<u>-</u>	<u>580</u>
		<u>\$ 1,479</u>	<u>\$ 1,513</u>

In addition to depreciation, there was no impairment loss after performing impairment assessment for the three months ended March 31, 2026 and 2025.

b. Lease liabilities

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Carrying amounts</u>			
Current	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,145</u>
Non-current	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,187</u>

Discount rate for lease liabilities was as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Buildings	-	-	5.30%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use as plants and offices with lease terms of 3 to 48 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent. In July 2025, the Group reached a mutual agreement with the buildings lessor to terminate the lease. Accordingly, the Group derecognized the related assets and lease liabilities.

d. Land right-of-use assets pledged as collateral for bank borrowings are set out in Note 33.

e. Other lease information

	For the Three Months Ended March 31	
	2026	2025
Expenses relating to short-term leases	\$ 2,205	\$ 2,067
Expenses relating to low-value asset leases	\$ 54	\$ 45
Total cash outflow for leases	\$ (2,259)	\$ (3,505)

17. GOODWILL

	For the Three Months Ended March 31	
	2026	2025
<u>Cost</u>		
Balance, at January 1	\$ 663,458	\$ 12,519
Effects of foreign currency exchange differences	23,947	92
Balance at March 31	<u>\$ 687,405</u>	<u>\$ 12,611</u>
<u>Accumulated impairment losses</u>		
Balance at January 1	\$ -	\$ 6,416
Effect of foreign currency exchange differences	-	92
Balance at March 31	<u>\$ -</u>	<u>\$ 6,508</u>
Carrying amount at March 31	<u>\$ 687,405</u>	<u>\$ 6,103</u>

On November 30, 2025 (the acquisition date), the Group acquired a 82.75% interest in Linkpower Electronics Co., Ltd. and recognized goodwill in the amount of NT\$652,083 thousand.

The initial accounting treatment for the acquisition of Linkpower Electronics Co., Ltd. remained provisional as of the balance sheet date. For taxation purposes, the tax basis of the assets held by Linkpower Electronics Co., Ltd. must be redetermined in accordance with their fair market value. As of the date these consolidated financial statements were authorized for issue, the requisite market valuations and associated calculations had not yet been finalized; consequently, the potential tax values were recognized provisionally, predicated solely upon the best estimates of the consolidated company's management.

18. OTHER INTANGIBLE ASSETS

	Computer Software	Trademarks	Patents	Total
<u>Cost</u>				
Balance at January 1, 2026	\$ 55,717	\$ 29,465	\$ 13,598	\$ 98,780
Additions	2,183	-	-	2,183
Disposals	(2,884)	-	-	(2,884)
Effects of foreign currency exchange differences	<u>1,732</u>	<u>7</u>	<u>-</u>	<u>1,739</u>
Balance at March 31, 2026	<u>\$ 56,748</u>	<u>\$ 29,472</u>	<u>\$ 13,598</u>	<u>\$ 99,818</u>
<u>Accumulated amortization</u>				
Balance at January 1, 2026	\$ 48,164	\$ 17,794	\$ 5,261	\$ 71,219
Amortization expenses	880	637	882	2,399
Disposals	(2,884)	-	-	(2,884)
Effects of foreign currency exchange differences	<u>1,625</u>	<u>6</u>	<u>-</u>	<u>1,631</u>
Balance at March 31, 2026	<u>\$ 47,785</u>	<u>\$ 18,437</u>	<u>\$ 6,143</u>	<u>\$ 72,365</u>
Carrying amounts at December 31, 2025 and January 1, 2026	<u>\$ 7,553</u>	<u>\$ 11,671</u>	<u>\$ 8,337</u>	<u>\$ 27,561</u>
Carrying amounts at March 31, 2026	<u>\$ 8,963</u>	<u>\$ 11,035</u>	<u>\$ 7,455</u>	<u>\$ 27,453</u>
<u>Cost</u>				
Balance at January 1, 2025	\$ 49,569	\$ 29,286	\$ 7,000	\$ 85,855
Additions	600	-	-	600
Disposals	(2,351)	-	-	(2,351)
Effects of foreign currency exchange differences	<u>587</u>	<u>-</u>	<u>-</u>	<u>587</u>
Balance at March 31, 2025	<u>\$ 48,405</u>	<u>\$ 29,286</u>	<u>\$ 7,000</u>	<u>\$ 84,691</u>

(Continued)

	Computer Software	Trademarks	Patents	Total
<u>Accumulated amortization</u>				
Balance at January 1, 2025	\$ 43,606	\$ 15,068	\$ 3,383	\$ 62,057
Amortization expenses	1,107	637	175	1,919
Disposals	(2,351)	-	-	(2,351)
Effects of foreign currency exchange differences	<u>573</u>	<u>-</u>	<u>-</u>	<u>573</u>
Balance at March 31, 2025	<u>\$ 42,935</u>	<u>\$ 15,705</u>	<u>\$ 3,558</u>	<u>\$ 62,198</u>
Carrying amounts at March 31, 2025	<u>\$ 5,470</u>	<u>\$ 13,581</u>	<u>\$ 3,442</u>	<u>\$ 22,493</u> (Concluded)

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-10 years
Trademarks	10-12 years
Patents	2-10 years

19. OTHER ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Prepaid sales tax	\$ 79,404	\$ 80,758	\$ 117,929
Prepayments	82,050	62,462	61,083
Overpaid sales tax	5,152	4,544	4,729
Others	<u>1,981</u>	<u>5,682</u>	<u>5,443</u>
	<u>\$ 168,587</u>	<u>\$ 153,446</u>	<u>\$ 189,184</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 155,603	\$ 130,843	\$ 131,186
Refundable deposits	<u>5,512</u>	<u>5,370</u>	<u>2,830</u>
	<u>\$ 161,115</u>	<u>\$ 136,213</u>	<u>\$ 134,016</u>

20. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings (Note 33)</u>			
Bank loans	\$ 9,269	\$ 53,659	\$ -
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>813,303</u>	<u>513,709</u>	<u>98,000</u>
	<u>\$ 822,572</u>	<u>\$ 567,368</u>	<u>\$ 98,000</u>

The range of interest rates for bank loans were 2.55%-4.23%, 2.55%-4.35% and 1.88%-2.17% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

b. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Secured borrowings</u>			
Bank loans	\$ 50,000	\$ 50,000	\$ 4,487
Less: Current portions	<u>(50,000)</u>	<u>-</u>	<u>(555)</u>
Long-term borrowings	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 3,932</u>

	Repayment Method	March 31, 2026	December 31, 2025	March 31, 2025
<u>Unsecured borrowings</u>				
Bank of China Limited	The loan amounted to RMB1,000 thousand is repaid 3% on three monthly basis from July 16, 2024 to July 15, 2027. Repayment begins in the sixth month. The remaining principal will be repaid in the final installment. The interest is paid every three months. This loan has been fully repaid by the Group.	\$ -	\$ -	\$ 4,487
Taipei Fubon Commercial Bank	The loan amounted to \$50,000 thousand is repaid on a monthly basis from November 27, 2025 to March 5, 2027. The interest is paid every month. The principal will be settled on the maturity date.	50,000	50,000	-
Less: Current portions		<u>(50,000)</u>	<u>-</u>	<u>(555)</u>
Long-term borrowings		<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 3,932</u>

The range of interest rates for long-term bank loans were 2.49%, 2.49% and 3.41% per annum as of March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

21. BONDS PAYABLE

	March 31, 2026	December 31, 2025	March 31, 2025
Fourth unsecured domestic convertible bonds	\$ 3,652	\$ 10,764	\$ 166,720
Less: Current portion	<u>(3,652)</u>	<u>(10,764)</u>	<u>(166,720)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Unsecured Domestic Convertible Bonds - IV

On March 5, 2024, the Group issued the fourth three-year unsecured, zero-coupon domestic convertible bonds with a \$100 thousand par value, in an aggregate principal amount of \$500,000 thousand and were issued at 100.5% of par value.

The following items are the primary clauses in the prospectus:

a. Term

From March 5, 2024 to March 5, 2027.

b. Redemption

From 3 months after the issue date to 40 days before maturity date, if the closing price in 30 consecutive trading days is greater than 130% of the conversion price, then the Group may redeem the whole bonds in cash at the principal amount.

c. Conversion

Conversion period

Bondholders may request the Group to convert the bonds into the Group's ordinary shares between June 6, 2024 and March 5, 2027, except during the period when the registration of share transfer is suspended.

Conversion price and adjustments

The price used by the Group in determining the number of ordinary shares to be issued upon conversion is NT\$65.7 per share. Since the Company applied for ex-dividend on August 7, 2024, the conversion price of bonds was adjusted to NT\$63.70 per share. Then on August 9, 2025, the price was adjusted to \$61.70 per share.

d. Bondholders' put right

On March 5, 2026 (2 years after the issue date), each bondholder will have the right, at such holder's option, to require the Group to redeem in whole or in part the principal amount of such holder's bonds in cash by filling an application with the original brokerage before 30 days prior to the base date.

e. Bond components

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate of the liability component was 2.2045% per annum on initial recognition.

Proceeds from issuance (less transaction costs of \$5,545 thousand)	\$ 496,955
Equity component	(30,776)
Financial assets at FVTPL	743
Deferred tax assets	<u>1,109</u>
Liability component at the date of issuance	468,031
Convertible bonds converted into ordinary shares	(245,081)
Interest charged at an effective interest rate of 2.2045%	<u>8,185</u>
Liability component at January 1, 2025	231,135
Interest charged at an effective interest rate of 2.2045% - for the three months ended March 31, 2025	1,116
Convertibles bonds converted into ordinary shares	<u>(65,531)</u>
Liability component at March 31, 2025	<u>\$ 166,720</u>
Liability component at January 1, 2026	\$ 10,764
Interest charged at an effective interest rate of 2.2045% - for the three months ended March 31, 2026	30
Convertibles bonds converted into ordinary shares	<u>(7,142)</u>
Liability component at March 31, 2026	<u>\$ 3,652</u>

For the three months ended March 31, 2026, the convertible bonds were converted for the par value of \$7,300 thousand, of which the Group reclassified to advance receipts for capital collected in advance for amount of \$1,183 thousand. With conversion occurrence, originally recorded capital surplus-options decreased \$449 thousand, bonds payable reduced \$158 thousand, financial assets at FVTPL reduced \$16 thousand, and capital surplus increased \$6,392 thousand derived from the difference between the consideration received and the par value of bonds payable.

For the three months ended March 31, 2025, the convertible bonds were converted for the par value of \$68,500 thousand, of which the Group reclassified to advance receipts for capital collected in advance for amount of \$10,754 thousand. With conversion occurrence, originally recorded capital surplus-options decreased \$4,216 thousand, bonds payable reduced \$2,969 thousand, financial assets at FVTPL reduced \$342 thousand, and capital surplus increased \$58,651 thousand derived from the difference between the consideration received and the par value of bonds payable.

22. OTHER LIABILITIES

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Current</u>			
Other payables			
Payables for dividends (Notes 23 and 30)	\$ 326,564	\$ -	\$ 253,001
Salaries and bonuses	289,457	300,385	192,669
Processing fees	171,826	185,360	176,091
Payable for labor and health insurance, social security and pension	179,922	172,904	39,204
Purchases of equipment (Note 30)	63,175	61,919	70,915
Pension	96,117	86,816	-
Others	<u>205,359</u>	<u>231,078</u>	<u>166,493</u>
	<u>\$ 1,332,420</u>	<u>\$ 1,038,462</u>	<u>\$ 898,373</u>

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Non-current</u>			
Other non-current assets			
Long-term accounts payable (Note 30)	\$ 127,268	\$ 111,144	\$ -
Transfer investments accounted for using the equity method in credit	203	196	-
Others	<u>-</u>	<u>155</u>	<u>-</u>
	<u>\$ 127,471</u>	<u>\$ 111,495</u>	<u>\$ -</u>
			(Concluded)

The Group acquired the equity interest in Linkpower Electronics Co., Ltd. In accordance with the contractual terms has been retained a portion of the share as a provision for contingent indemnification liabilities, with the guarantee period extending through December 31, 2029. Upon expiration of the guarantee period, the remaining balance - after deducting the debt losses assumed by the Group, the remaining amount - will be remitted to the transferors of the equity interest in Linkpower Electronics Co., Ltd. As of March 31, 2026 and December 31, 2025, the aforementioned retained amount totaled \$127,268 thousand and \$111,144 thousand and has been recognized under long-term payables.

23. EQUITY

a. Share capital

Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Number of shares authorized (in thousands)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Share capital authorized	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>87,412</u>	<u>87,412</u>	<u>83,570</u>
Share capital issued	<u>\$ 874,116</u>	<u>\$ 874,116</u>	<u>\$ 835,703</u>

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

The authorized shares include 5,000 thousand shares allocated for the exercise of employee share options.

During January to March 2026, employees executed 130 units of stock options, which were converted into 130 thousand ordinary shares, with total proceeds of \$4,732 thousand, and as of March 31, 2026, the registration has not been completed, and under the advance receipts for capital stock for the amount of \$1,300 thousand. On May 6, 2026, the Company's board of directors would resolve that the capital increase base date of employee share options as May 7, 2026.

During January to March 2026, convertible bonds were converted to ordinary shares for the amount of \$1,183 thousand, and as of March 31, 2026, the registration has not been completed, and under the advance receipts for capital stock. On May 6, 2026, the Company's board of directors would resolve that the capital increase base date of employee share options as May 7, 2026.

During January to March 2025, employees executed 580 units of stock options, which were converted into 580 thousand ordinary shares, with total proceeds of \$21,808 thousand, and as of March 31, 2025, the registration has not been completed, and under the advance receipts for capital stock for the amount of \$5,800 thousand. On May 8, 2025, the Company's board of directors would resolve that the capital increase base date of employee share options as May 9, 2025.

During January to March 2025, convertible bonds were converted to ordinary shares for the amount of \$10,754 thousand under advance receipts for capital stock, and since as of the date of financial statements, registration has not been completed. On May 8, 2025, the board of the directors resolved the capital increase base date as May 9, 2025.

The advance receipts for share capital as of January 1, 2025, comprised a total of NT\$32,856 thousand in ordinary share capital converted by holders of the Company's convertible corporate bonds during October to December 2024. On February 27, 2025, the board of the directors resolved the capital increase base date as March 3, 2025. Registration was completed on March 26, 2025.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Premium on issuance of ordinary shares (2)	\$ 691,471	\$ 685,927	\$ 629,576
Premium on conversion of bonds	789,938	783,546	642,737
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	243	-	-
<u>May be used to offset a deficit only</u>			
Redemption/buy back convertible corporate bonds	14,480	14,480	14,480
Changes in percentage of ownership interests in subsidiaries (3)	1,906	1,906	1,906
<u>May not be used for any purpose</u>			
Arising from employee share options	25,610	16,211	13,260
Share warrants	<u>240</u>	<u>689</u>	<u>10,710</u>
	<u>\$ 1,523,888</u>	<u>\$ 1,502,759</u>	<u>\$ 1,312,669</u>

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

- 2) During January to March 2026, some employees exercised share warrants, resulting in an increase in capital surplus - stock issuance premium by \$5,544 thousand. Additionally, the amount reclassified from the capital surplus - employee stock options to the capital surplus - stock issuance premium was \$2,112 thousand.
- 3) Such capital surplus arises from the effects of changes in ownership interests in a subsidiary resulting from equity transactions other than an actual disposal or acquisition or from changes in capital surplus of subsidiaries accounted for by using the equity method.

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders by issuing new shares. In addition, the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. For the policies on the distribution of compensation of employees and remuneration of directors, please refer to Note 25(g).

The Company's board of directors shall, considering the current investment environment, capital needs for future expansions, long term financial plans, and shareholders' needs for cash basis dividends, distribute no less than 10% of unappropriated earnings to shareholders as dividends and bonuses, by way of cash dividends or share dividends, while cash dividends should not be lower than 10% of total bonuses to shareholders.

Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

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

	Appropriation of Earnings	
	For the Year Ended December 31	
	2025	2024
Legal reserve	\$ 65,216	\$ 51,121
Special reserve	\$ 60,562	\$ (139,347)
Cash dividends	\$ 326,564	\$ 253,001
Cash dividends per share (NT\$)	\$ 3.66	\$ 3.00

The 2026 and 2025 appropriations for cash dividends had been resolved by the Company's board of directors on February 25, 2026 and February 27, 2025. The appropriation of earnings for 2024 was approved in shareholder's meetings on May 29, 2025. The appropriation of earnings for 2025 will be resolved by the Company's annual general meeting on May 27, 2026.

d. Other equity items

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

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ (144,294)	\$ (75,014)
Recognized for the period		
Exchange differences on translating the financial statements of foreign operations		
Related income tax	116,453	49,483
Other comprehensive loss recognized for the period	<u>(23,290)</u>	<u>(9,897)</u>
	<u>93,163</u>	<u>39,586</u>
Balance at March 31	\$ <u>(51,131)</u>	\$ <u>(35,428)</u>

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

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ 19,164	\$ 10,446
Recognized for the period		
Unrealized (loss) gain - equity instruments	(2,668)	(9,473)
Related income tax	<u>533</u>	<u>1,895</u>
Other comprehensive (loss) income recognized for the period	<u>(2,135)</u>	<u>(7,578)</u>
Balance at March 31	\$ <u>17,029</u>	\$ <u>2,868</u>

e. Non-controlling interests

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	\$ 134,435	\$ 28,960
Share in profit (loss) for the period	<u>3,087</u>	<u>(837)</u>
Other comprehensive loss during the period		
Exchange differences on translating the financial statements of foreign entities	749	(404)
Related income tax	<u>302</u>	<u>91</u>
	<u>1,051</u>	<u>(313)</u>
Non-controlling interests arising from acquisition of subsidiaries	<u>31,331</u>	<u>-</u>
Partial acquisition of subsidiaries	<u>50,808</u>	<u>-</u>
Balance at March 31	\$ <u>119,096</u>	\$ <u>27,810</u>

24. REVENUE

a. Description of customer contract

Revenue from sales of goods

Main operating revenue of the Company was from the production and sales of electronic connectors for telecommunications, data communications and computers, and other electronic material goods. Goods are sold at their respective fixed amounts as agreed in the contracts.

b. Contract balance

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Notes receivable and trade receivables (Note 11)	<u>\$ 2,154,401</u>	<u>\$ 2,250,274</u>	<u>\$ 1,799,479</u>	<u>\$ 1,769,296</u>
Contract liabilities				
Sale of goods	<u>\$ 11,745</u>	<u>\$ 12,586</u>	<u>\$ 4,762</u>	<u>\$ 13,057</u>

c. Sales detail of customer contract

The detail of revenue classification refer to Note 38.

25. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest income

	For the Three Months Ended March 31	
	2026	2025
Bank deposits	<u>\$ 1,092</u>	<u>\$ 5,481</u>

b. Other income

	For the Three Months Ended March 31	
	2026	2025
Dividend income	\$ 11,798	\$ -
Government grants	1,107	236
Subsidy arising from launched production line	1,160	1,160
Compensation income	1,178	3,007
Mold income	4,334	1,040
Others	<u>7,483</u>	<u>8,359</u>
	<u>\$ 27,060</u>	<u>\$ 13,802</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2026	2025
Gain on disposal of property, plant and equipment	\$ 238	\$ 2,001
Fair value changes of financial assets/liabilities		
Financial assets mandatorily classified as at FVTPL	6,604	18,521
Financial liabilities held for trading	(10,145)	(2,847)
Net foreign exchange (losses)gains	(12,663)	4,859
Others	<u>(750)</u>	<u>(4,087)</u>
	<u>\$ (16,716)</u>	<u>\$ 18,447</u>

d. Finance costs

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	\$ 4,467	\$ 797
Interest on convertible bonds (Note 21)	30	1,116
Interest on lease liabilities	<u>-</u>	<u>180</u>
	<u>\$ 4,497</u>	<u>\$ 2,093</u>

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
An analysis of deprecation by function		
Operating costs	\$ 64,651	\$ 50,446
Operating expenses	<u>21,241</u>	<u>15,625</u>
	<u>\$ 85,892</u>	<u>\$ 66,071</u>
An analysis of amortization by function		
Operating costs	\$ 254	\$ 175
Selling and marketing expense	1,400	692
General and administrative expense	273	398
Research and development expense	<u>472</u>	<u>654</u>
	<u>\$ 2,399</u>	<u>\$ 1,919</u>

f. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Post-employment benefits		
Defined contribution plans	\$ 27,635	\$ 25,577
Share-based payments		
Equity-settled	11,511	1,419
Other employee benefits	<u>327,132</u>	<u>307,352</u>
Total employee benefits expense	<u>\$ 366,278</u>	<u>\$ 334,348</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 202,210	\$ 195,902
Operating expenses	<u>164,068</u>	<u>138,446</u>
	<u>\$ 366,278</u>	<u>\$ 334,348</u>

g. Compensation of employees and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of 3%-15% and not higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. Of the employee compensation amount set forth in the preceding paragraph, no less than 30% will be allocated for distribution to grassroots employees.

The compensation of employees and the remuneration of directors for the three months ended March 31, 2026 and 2025 are as follows:

Accrual rate

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	5.92%	6.00%
Remuneration of directors	1.84%	1.87%

Amount

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	<u>\$ 13,927</u>	<u>\$ 14,548</u>
Remuneration of directors	<u>\$ 4,341</u>	<u>\$ 4,550</u>

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

The employees' compensation and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on February 25, 2026 and February 27, 2025, respectively, are as follows:

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	<u>\$ 53,200</u>	<u>\$ 38,900</u>
Remuneration of directors	<u>\$ 16,600</u>	<u>\$ 12,300</u>

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

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

h. Gain or loss on foreign currency exchange

	For the Three Months Ended March 31	
	2026	2025
Foreign exchange gains	\$ 67,866	\$ 59,659
Foreign exchange losses	<u>(80,529)</u>	<u>(54,800)</u>
	<u>\$ (12,663)</u>	<u>\$ 4,859</u>

26. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	\$ 39,902	\$ 58,966
Deferred tax		
In respect of the current period	<u>7,915</u>	<u>(7,214)</u>
Income tax expense recognized in profit or loss	<u>\$ 47,817</u>	<u>\$ 51,752</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2026	2025
Deferred tax		
In respect of the current period		
Translation of the financial statements of foreign operations	\$ 22,988	\$ 9,806
Fair value changes of financial assets at FVTOCI	<u>(533)</u>	<u>(1,895)</u>
Total income tax recognized in other comprehensive income	<u>\$ 22,455</u>	<u>\$ 7,911</u>

c. Income tax assessments

The income tax returns through 2024 of the Company and its subsidiaries - CDE Corp. and DYP Corp., have been assessed by the tax authorities. Other overseas entities in the Group do not involve in any material pending action in regard of taxation.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share		
From continuing operations	<u>\$ 2.04</u>	<u>\$ 2.23</u>
Diluted earnings per share		
From continuing operations	<u>\$ 2.01</u>	<u>\$ 2.11</u>

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

Net Profit for the Year

	For the Three Months Ended March 31	
	2026	2025
Profit for the period attributable to owners of the Company	<u>\$ 182,233</u>	<u>\$ 188,317</u>
Earnings used in the computation of basic earnings per share	\$ 182,233	\$ 188,317
Effects of potentially dilutive ordinary shares:		
Interest and valuation loss on convertible bonds after tax	<u>24</u>	<u>1,060</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 182,257</u>	<u>\$ 189,377</u>

Shares

	Unit: Thousand Shares	
	For the Three Months Ended	
	March 31	
	2026	2025
Weighted average number of ordinary shares in computation of basic earnings per share	89,251	84,607
Effect of potentially dilutive ordinary shares:		
Convertible bonds	114	3,231
Employee stock option	1,075	1,553
Compensation of employees	<u>407</u>	<u>403</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>90,847</u>	<u>89,794</u>

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

28. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Option Plan of the Company

Qualified employees of the Company and its subsidiaries were granted 3,655 options on May 5, 2022. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. The options granted are valid for 6 years and exercisable at certain percentages after the second anniversary from the grant date. The options were granted at an exercise price equal to the closing price of the Company's ordinary shares listed on the Taipei Exchange at the grant date. For any subsequent changes in the Company's capital surplus, the exercise price is adjusted accordingly.

The Company reduced the exercise price from NT\$37.6 to NT\$36.4 in August 2025. The changing of consideration did not cause any increase of fair value and was effective after the Company's record date of ex-dividend trade on August 7, 2025.

Information of employee share options was as follow:

	For the Three Months Ended March 31			
	2026		2025	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance at January 1	960	\$ 36.40	2,852	\$ 37.60
Options granted	<u>(130)</u>	36.40	<u>(580)</u>	37.60
Balance at March 31	<u>830</u>	36.40	<u>2,272</u>	37.60
Options exercisable at March 31	<u>830</u>		<u>1,136</u>	

Information on outstanding options was as follows:

	March 31	
	2026	2025
Range of exercise price (\$)	\$ 36.40	\$ 37.60
Weighted-average remaining contractual life (in years)	2.08	3.08

Options granted in May 2022 is priced using the binomial option pricing model, and the inputs to the model are as follows:

	May 2022
Grant-date share price	\$42.9
Exercise price	\$42.9
Expected volatility	37.83%
Expected life (in years)	6
Expected dividend yield	-
Risk-free interest rate	1.0993%

Expected volatility was based on the historical share price volatility over the past 6 year which uses the Company's daily annualized standard deviation of returns as hypotheses.

Qualified employees of the Company and its subsidiaries were granted 3,060 options on October 7, 2025. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. The options granted are valid for 6 years and exercisable at certain percentages after the second anniversary from the grant date. The options were granted at an exercise price equal to the closing price of the Company's ordinary shares listed on the Taipei Exchange at the grant date. For any subsequent changes in the Company's capital surplus, the exercise price is adjusted accordingly.

Information on employee share options was as follows:

	For the Three Months Ended March 31, 2025	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance on January 1	3,060	\$ 97.40
Balance on December 31	<u>3,060</u>	97.40
Options exercisable, end of the period	<u><u>-</u></u>	

Information on outstanding options was as follows:

	March 31, 2026
Range of exercise price (\$)	\$ 97.40
Weighted-average remaining contractual life (in years)	5.50

Options granted in October 2025 is priced using the binomial option pricing model, and the inputs to the model are as follows:

	October 2025
Grant-date share price	\$97.4
Exercise price	\$97.4
Expected volatility	44.81%
Expected life (in years)	6
Expected dividend yield	-
Risk-free interest rate	1.2758%

Compensation costs recognized were \$11,511 thousand and \$1,419 thousand for the three months ended March 31, 2026 and 2025, respectively.

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

- a. In January 2026, the Group acquired an additional 8.34% equity interest in its subsidiary, Linkpower Electronics Co., Ltd., from non-controlling interests, thereby increasing its shareholding from 82.75% to 91.09%. As this transaction did not alter the Group's control over the subsidiary, it has been duly accounted for as an equity transaction.

	Linkpower Electronics Co., Ltd.
Contract consideration	\$ 109,187
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to (from) non-controlling interests	<u>(45,519)</u>
Differences recognized from equity transactions	<u>\$ 63,668</u>
<u>Line items adjusted for equity transactions</u>	
Retained earnings - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition	<u>\$ (63,668)</u>
<u>Net cash used in equity transactions</u>	
Contract consideration	\$ 109,187
Less: Long-term payables	<u>(11,295)</u>
Consideration paid in cash	<u>\$ 97,892</u>

The initial accounting treatment of the acquisition of Linkpower Electronics Co., Ltd. remains provisional as of the balance sheet date. For taxation purposes, the tax bases of the company's assets must be reassessed in accordance with their fair market values. As of the issuance date of these consolidated financial statements, the requisite market valuations and related computations have yet to be finalized; accordingly, the provisional tax amounts have been determined based on the best estimates of the Group's management.

- b. In January 2026, the Group acquired an additional 15% equity interest in its subsidiary, Dongguan Han Lian Technology Co., Ltd., from non-controlling interests, thereby increasing its shareholding from 85% to 100%. As this transaction did not alter the Group's control over the subsidiary, it has been duly accounted for as an equity transaction.

	Dongguan Han Lian Technology Co., Ltd.
Consideration paid in cash	\$ 5,046
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to (from) non-controlling interests	<u>(5,289)</u>
Differences recognized from equity transactions	<u>\$ (243)</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual acquisition	<u>\$ 243</u>

30. CASH INFORMATION

a. Non-cash transaction

In addition to those disclosed in other notes, for the three months ended March 31, 2026 and 2025, the Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statement of cash flows:

- 1) As of March 31, 2026, December 31, 2025 and March 31, 2025, the amounts unpaid for acquiring the property, plant and equipment were \$63,175 thousand, \$61,919 thousand and \$70,915 thousand, respectively, which were included in other payables.
- 2) The Company's board of directors resolved to distribute cash dividends on February 25, 2026 and February 27, 2025. As of March 31, 2026 and 2025, the unpaid amounts were \$326,564 thousand and \$253,001 thousand, respectively, which were included in other payables.

b. Changes in liabilities from financing activities

For the three months ended March 31, 2026

	Balance at January 1, 2026	Cash Flows	Interest Expense	Non-cash Changes Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other (Note 1)	Balance at March 31, 2026
Short-term borrowings	\$ 567,368	\$ 248,548	\$ -	\$ 6,656	\$ -	\$ 822,572
Bonds payable	10,764	-	30	-	(7,142)	3,652
Long-term accounts payable	111,144	-	-	4,355	11,769	127,268
Long-term borrowings (including current portion of long-term borrowings)	50,000	-	-	-	-	50,000
Guarantee deposits received	6,998	(33)	-	141	-	7,106
	<u>\$ 746,274</u>	<u>\$ 248,515</u>	<u>\$ 30</u>	<u>\$ 11,152</u>	<u>\$ 4,627</u>	<u>\$ 1,010,598</u>

For the three months ended March 31, 2025

				<u>Non-cash Changes</u>		
	Balance at January 1, 2025	Cash Flows	Interest Expense	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other (Note 1)	Balance at March 31, 2025
Short-term borrowings	\$ 60,000	\$ 38,000	\$ -	\$ -	\$ -	\$ 98,000
Lease liabilities	14,463	(1,213)	-	82	-	13,332
Bonds payable	231,135	-	1,116	-	(65,531)	166,720
Long-term borrowings (including current portion of long-term borrowings)	4,561	(138)	-	64	-	4,487
Guarantee deposits received	898	(20)	-	9	-	887
	<u>\$ 311,057</u>	<u>\$ 36,629</u>	<u>\$ 1,116</u>	<u>\$ 155</u>	<u>\$ (65,531)</u>	<u>\$ 283,426</u>

Note 1: The decrease in bonds payable is attributable to the conversion of convertible bonds during the current period, please refer to Note 21.

Note 2: The increase in long-term payables is attributable to the retained consideration payable arising from the acquisition of an equity interest in Linkpower Electronics Co., Ltd. during the current period, please refer to Note 22.

31. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments not measured at fair value

March 31, 2026

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Convertible bonds	<u>\$ 3,652</u>	<u>\$ 6,669</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,669</u>

December 31, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Convertible bonds	<u>\$ 10,764</u>	<u>\$ 21,112</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,112</u>

March 31, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Convertible bonds	\$ 166,720	\$ 264,480	\$ -	\$ -	\$ 264,480

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

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives				
Convertible bond options	\$ -	\$ -	\$ 9	\$ 9
Foreign exchange forward contracts	-	592	-	592
	<u>\$ -</u>	<u>\$ 592</u>	<u>\$ 9</u>	<u>\$ 601</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI				
Domestic unlisted shares	\$ -	\$ -	\$ 95,674	\$ 95,674

Financial liabilities at FVTPL

Derivatives				
Foreign exchange forward contracts	\$ -	\$ 11,717	\$ -	\$ 11,717

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives				
Convertible bond options	\$ -	\$ -	\$ 24	\$ 24
Foreign exchange forward contracts	-	3,840	-	3,840
	<u>\$ -</u>	<u>\$ 3,840</u>	<u>\$ 24</u>	<u>\$ 3,864</u>

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at FVTOCI				
Domestic unlisted shares	\$ _____	\$ _____	\$ 98,342	\$ 98,342
<u>Financial liabilities at FVTPL</u>				
Derivatives				
Foreign exchange forward contracts	\$ _____	\$ 8,061	\$ _____	\$ 8,061 (Concluded)
<u>March 31, 2025</u>				

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives				
Convertible bond options	\$ -	\$ -	\$ 661	\$ 661
Foreign exchange forward contracts	_____	5,071	_____	5,071
	\$ _____	\$ 5,071	\$ 661	\$ 5,732
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at FVTOCI				
Domestic unlisted shares	\$ _____	\$ _____	\$ 77,972	\$ 77,972
<u>Financial liabilities at FVTPL</u>				
Derivatives				
Foreign exchange forward contracts	\$ _____	\$ 3,783	\$ _____	\$ 3,783

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

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

For the three months ended March 31, 2026

Financial Assets	Financial Assets at FVTOCI		Total
	Equity Instrument	Debt Instrument	
Balance at January 1, 2026	\$ 98,342	\$ -	\$ 98,342
Recognized in other comprehensive income (included in unrealized valuation gain on financial assets at FVTOCI)	(2,668)	-	(2,668)
Balance at March 31, 2026	\$ 95,674	\$ -	\$ 95,674

DerivativesFinancial assets at FVTPL

Balance at January 1, 2026	\$ 24
Recognized in profit or loss (included in other gains and losses)	1
Conversion	<u>(16)</u>
Balance at March 31, 2026	<u>\$ 9</u>

For the three months ended March 31, 2025

Financial Assets	Financial Assets at FVTOCI		Total
	Equity Instrument	Debt Instrument	
Balance at January 1, 2025	\$ 87,445	\$ 112,407	\$ 199,852
Recognized in other comprehensive income (included in unrealized valuation gain on financial assets at FVTOCI)	(9,473)	-	(9,473)
Decrease	<u>-</u>	<u>(112,407)</u>	<u>(112,407)</u>
Balance at March 31, 2025	<u>\$ 77,972</u>	<u>\$ -</u>	<u>\$ 77,972</u>

DerivativesFinancial assets at FVTPL

Balance at January 1, 2025	\$ 1,213
Recognized in profit or loss (included in other gains and losses)	(210)
Conversion	<u>(342)</u>
Balance at March 31, 2025	<u>\$ 661</u>

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

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

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

Financial Instruments	Valuation Techniques and Inputs
Convertible bond options	The binomial tree evaluation model of convertible bonds. Consideration of the duration, the share price and volatility of the convertible bond object, conversion price, risk-free interest rate, discount rate, liquidity risk of the convertible bonds and other factors.
Unlisted equity securities - ROC	Market approach. In the market approach, the selling price of comparable companies was used to estimate the fair value of the target asset through comparison, analysis and adjustments. Asset approach. In the asset approach, the fair value is estimated by evaluating the total market value of individual assets and individual liabilities covered by the evaluation target and considering risk factors such as liquidity reduction.
Factored trade receivables to banks without recourse	Since the effect of discounting is not significant, the fair value is measured based on the original invoice amount.

c. Categories of financial instruments

	March 31, 2026	December 31, 2025	March 31, 2025
<u>Financial assets</u>			
Mandatorily classified as at FVTPL	\$ 601	\$ 3,864	\$ 5,732
Financial asset at amortized cost (1)	3,994,752	3,671,430	3,316,567
Financial assets at FVTOCI			
Equity instruments	95,674	98,342	77,972
<u>Financial liabilities</u>			
FVTPL			
Held for trading	11,717	8,061	3,783
Amortized cost (2)	2,245,045	2,032,384	1,103,323

- 1) The balances included cash and cash equivalents, financial assets at amortized cost - current, notes receivable, trade receivables, other receivables (excluding tax refund receivable) and refundable deposits that are measured at amortized cost.
- 2) The balances included short-term loans, trade payables, other payables (excluding salaries, bonuses, labor and health insurance, social security and pension), bonds payable (including current portion of bonds payable), long-term loans (including current portion of long-term loans payable), long-term trade payables and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, financial assets and liabilities at FVTPL, notes receivable, trade receivables, trade payables, lease liabilities, borrowings and convertible bonds.

Risks on the financial instruments include market risk (such as currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), in interest rates (see (b) below) and other price risk (see (c) below).

a) Foreign currency risk

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

The carrying amounts of the Group's foreign currency which has a significant impact denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 36.

Sensitivity analysis

The Group was mainly exposed to the exchange rate movements in USD and RMB.

The following table details the Group's sensitivity to a 1% increase and decrease in each functional currency against the relevant foreign currencies. The 1% sensitivity rate is used in reporting foreign currency risk internally to key management and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. Sensitivity analysis includes its foreign operations. A positive number below indicates an increase in pretax profit and other equity associated with a 1% weakening of each functional currency against the relevant currency. For a 1% strengthening of each functional currency against the relevant currency, there would be an equal and opposite impact on pretax profit and other equity, and the balances below would be negative.

	U.S. Dollar Impact		RMB Impact	
	For the Three Months Ended		For the Three Months Ended	
	March 31		March 31	
	2026	2025	2026	2025
Profit or loss*	\$ (15,229)	\$ 865	\$ (563)	\$ 162

This was mainly attributable to the exposure on outstanding accounts receivable and payable in USD and RMB, which were not hedged at the end of the reporting period.

The Group's sensitivity to the USD increased during the current period mainly due to the increased of net liabilities denominated in USD.

The Group's sensitivity to the RMB increased during the current period mainly due to the increased of net liabilities denominated in RMB.

b) Interest rate risk

The Group was exposed to interest rate related to its deposits, financial assets at amortized cost - current, bank loans, convertible bonds and lease liabilities at both fixed and floating interest rates.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value interest rate risk			
Financial assets	\$ 1,160,998	\$ 875,336	\$ 1,103,810
Financial liabilities	826,224	578,132	278,052
Cash flow interest rate risk			
Financial assets	665,079	534,471	401,858
Financial liabilities	50,000	50,000	4,487

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables held constant, the Group's pretax profits for the three months ended March 31, 2026 and 2025 would have increased/decreased by \$1,538 thousand and \$993 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings and bank deposits.

The Group's sensitivity to interest rates increased during the current year mainly due to the increase in financial assets.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for medium- to long-term strategic purposes rather than for trading.

Sensitivity analysis

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

If equity prices had been 1% higher/lower, pre-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increased/decreased by \$957 thousand and \$780 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

The Group's sensitivity to equity prices increased due to the increased of fair value in equity instrument investment.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to the failure of counterparties to discharge an obligation could arise from the carrying amounts of the respective recognized financial assets as stated in the balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group continues to monitor its credit exposure and the credit ratings of its counterparties. Credit exposure is controlled by setting a counterparty credit limit, which is approved and periodically reviewed by the risk management committee.

To minimize credit risk, management of the Group has delegated a team to be responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. Thus, management believes the Group's credit risk was significantly reduced.

The Group transact with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

3) Liquidity risk

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

For the Group, bank loans are an important resource of liquidity to the Group. Refer to section (c) below for more information about unused amounts of financing facilities at March 31, 2026, December 31, 2025 and March 31, 2025.

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

The following table shows the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up on the basis of undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. The maturity dates for other non-derivative financial liabilities were based on the agreed-upon repayment dates.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Short-term borrowings	\$ 809,953	\$ -	\$ 13,903	\$ -	\$ -
Long-term borrowings	106	205	935	50,338	-
Trade payables	283,260	309,437	105,273	-	-
Other payables	305,692	200,239	357,110	-	-
Long-term accounts payable	-	-	-	127,268	-
Bonds payable	-	-	3,900	-	-
Guarantee deposits received	-	-	7,106	-	-
	<u>\$ 1,399,011</u>	<u>\$ 509,881</u>	<u>\$ 488,227</u>	<u>\$ 177,606</u>	<u>\$ -</u>

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Short-term borrowings	\$ 506,050	\$ -	\$ 62,602	\$ -	\$ -
Long-term borrowings	106	205	936	50,338	-
Trade payables	330,893	306,518	83,526	-	-
Other payables	332,574	197,087	34,879	111,777	-
Guarantee deposits received	-	-	6,998	-	-
Bonds payable	-	-	11,200	-	-
	<u>\$ 1,169,623</u>	<u>\$ 503,810</u>	<u>\$ 200,141</u>	<u>\$ 162,115</u>	<u>\$ -</u>

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Short-term borrowings	\$ 48,112	\$ 50,153	\$ -	\$ -	\$ -
Long-term borrowings	139	176	381	4,082	-
Lease liabilities	-	-	2,806	12,626	-
Trade payables	161,119	206,766	51,845	-	-
Other payables	214,909	160,570	291,020	-	-
Bonds payable	-	-	166,720	-	-
Guarantee deposits received	-	-	-	887	-
	<u>\$ 424,279</u>	<u>\$ 417,665</u>	<u>\$ 512,772</u>	<u>\$ 17,595</u>	<u>\$ -</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	<u>\$ 2,806</u>	<u>\$ 12,626</u>	<u>\$ -</u>

b) Liquidity risk table for derivative financial liabilities

The table is based on the undiscounted contractual gross cash inflows and outflows on derivative instruments that require gross settlement.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Gross settled</u>				
Foreign exchange forward contracts				
Inflows	\$ 112,574	\$ 754,695	\$ 556,304	\$ -
Outflows	<u>(115,377)</u>	<u>(762,824)</u>	<u>(557,089)</u>	<u>-</u>
	<u>\$ (2,803)</u>	<u>\$ (8,129)</u>	<u>\$ (785)</u>	<u>\$ -</u>

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Gross settled</u>				
Foreign exchange forward contracts				
Inflows	\$ 102,694	\$ 257,509	\$ 1,116,942	\$ -
Outflows	<u>(106,094)</u>	<u>(261,017)</u>	<u>(1,118,095)</u>	<u>-</u>
	<u>\$ (3,400)</u>	<u>\$ (3,508)</u>	<u>\$ (1,153)</u>	<u>\$ -</u>

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years
<u>Gross settled</u>				
Foreign exchange forward contracts				
Inflows	\$ 10,301	\$ 344,664	\$ 28,287	\$ -
Outflows	<u>(10,702)</u>	<u>(347,387)</u>	<u>(28,946)</u>	<u>-</u>
	<u>\$ (401)</u>	<u>\$ (2,723)</u>	<u>\$ (659)</u>	<u>\$ -</u>

c) Financing facilities

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loan facilities (reviewed annually)			
Amount used	\$ 713,731	\$ 563,709	\$ 102,487
Amount unused	<u>2,148,734</u>	<u>2,167,299</u>	<u>2,234,025</u>
	<u>\$ 2,862,465</u>	<u>\$ 2,731,008</u>	<u>\$ 2,336,512</u>
Secured bank loan facilities which may be extend by mutual agreement			
Amount used	\$ 9,269	\$ 53,659	\$ -
Amount unused	<u>4,634</u>	<u>67,074</u>	<u>277,549</u>
	<u>\$ 13,903</u>	<u>\$ 120,733</u>	<u>\$ 277,549</u>

e. Transfers of financial assets

The Group has signed factoring agreements with banks for the sale of accounts receivable. According to the terms of the factoring agreements, while losses from the credit risks were borne by the banks. The Group did not engage in any accounts receivable sales at March 31, 2026 and 2025. The aforementioned factoring agreement of accounts receivable expired in January 2025.

32. TRANSACTIONS WITH RELATED PARTIES

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

Compensation of key management personnel

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	\$ 9,071	\$ 11,263
Post-employment benefits	<u>135</u>	<u>189</u>
	<u>\$ 9,206</u>	<u>\$ 11,452</u>

The remunerations of directors and key executives were determined by the remuneration committee on the basis of individual performance and market trends.

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets had been provided as collateral for bank borrowings and import duties:

	March 31, 2026	December 31, 2025	March 31, 2025
Building	\$ 141,505	\$ 141,588	\$ 63,501
Right-of-use assets - land	79,013	76,784	51,827
Time deposits	<u>6,755</u>	<u>6,755</u>	<u>6,745</u>
	<u>\$ 227,273</u>	<u>\$ 225,127</u>	<u>\$ 122,073</u>

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments of the Group were as follows:

Significant commitments

Unrecognized commitments were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Acquisition of property, plant and equipment			
RMB	<u>\$ 4,501</u>	<u>\$ 4,353</u>	<u>\$ 7,930</u>
VND	<u>\$ 3,876</u>	<u>\$ 1,176</u>	<u>\$ 132,085</u>

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In April 2026, Dongguan Jian Guan P.E. Co., Ltd. disposed of its equity interest in Shenzhen Deshenglong Electronics Co., Ltd. at its carrying amount.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

March 31, 2026

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 83,643	31.995 (USD:NTD)	\$ 2,676,144
USD	37,249	6.9194 (USD:RMB)	1,191,786
RMB	14,444	4.624 (RMB:NTD)	66,786
RMB	6,692	0.1445 (RMB:USD)	30,945

(Continued)

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Non-monetary items			
Derivative instruments			
USD	\$ 9,000	Note	\$ 562
RMB	2,200	Note	30
<u>Financial liabilities</u>			
Monetary items			
USD	125,385	31.995 (USD:NTD)	4,011,709
USD	4,804	6.9194 (USD:RMB)	153,713
RMB	16,483	0.1445 (RMB:USD)	76,217
Non-monetary items			
Derivative instruments			
USD	29,300	Note	9,603
RMB	14,630	Note	2,114
			(Concluded)
<u>December 31, 2025</u>			

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 80,540	31.43 (USD:NTD)	\$ 2,531,381
USD	44,304	7.0288 (USD:RMB)	1,392,461
RMB	21,947	4.4716 (RMB:NTD)	98,140
RMB	8,508	0.1423 (RMB:USD)	38,045
Non-monetary items			
Derivative instruments			
USD	22,000	Note	3,740
RMB	4,900	Note	100
<u>Financial liabilities</u>			
Monetary items			
USD	64,234	31.43 (USD:NTD)	2,018,878
USD	5,851	7.0288 (USD:RMB)	183,911
RMB	13,030	0.1423 (RMB:USD)	58,264
Non-monetary items			
Derivative instruments			
USD	15,000	Note	5,326
RMB	17,550	Note	2,735

March 31, 2025

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 71,820	33.205 (USD:NTD)	\$ 2,384,786
USD	40,455	7.1782 (USD:RMB)	1,343,323
RMB	17,723	4.6258 (RMB:NTD)	81,985
RMB	8,113	0.1393 (RMB:USD)	37,528
Non-monetary items			
Derivative instruments			
USD	32,500	Note	5,071
<u>Financial liabilities</u>			
Monetary items			
USD	64,381	33.205 (USD:NTD)	2,137,785
USD	2,790	7.1782 (USD:RMB)	92,645
RMB	9,624	0.1393 (RMB:USD)	44,520
Non-monetary items			
Derivative instruments			
USD	10,000	Note	2,120
RMB	12,700	Note	1,663

Note: The fair value of forward foreign exchange contract calculated by discounted cash flow method.

For the three months ended March 31, 2026 and 2025, net foreign exchange (losses) gains, (including realized and unrealized), were \$(12,663) thousand and \$4,859 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 6) Intercompany relationships and significant intercompany transactions (Table 6)

- b. Information on investees (Table 7)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 8)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 8):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

38. SEGMENT INFORMATION

a. Segment revenue and results

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

	Integrated Signal Connectors	Power Supplies and LED Lighting Products	Other	Elimination of Intersegment Revenues, Profits or Losses	Total
For the three months ended <u>March 31, 2026</u>					
Revenues from external customers	\$ 1,198,630	\$ 383,526	\$ 341,752	\$ -	\$ 1,923,908
Intersegment revenues	<u>17,236</u>	<u>-</u>	<u>3,344</u>	<u>(20,580)</u>	<u>-</u>
Total revenues	<u>\$ 1,215,866</u>	<u>\$ 383,526</u>	<u>\$ 345,096</u>	<u>\$ (20,580)</u>	<u>\$ 1,923,908</u>
Segment profits (losses)	<u>\$ 209,292</u>	<u>\$ 44,428</u>	<u>\$ 10,695</u>	<u>\$ (31,278)</u>	<u>\$ 233,137</u>

(Continued)

	Integrated Signal Connectors	Power Supplies and LED Lighting Products	Other	Elimination of Intersegment Revenues, Profits or Losses	Total
For the three months ended <u>March 31, 2025</u>					
Revenues from external customers	\$ 1,096,850	\$ -	\$ 390,805	\$ -	\$ 1,487,655
Intersegment revenues	<u>12,408</u>	<u>-</u>	<u>2,095</u>	<u>(14,503)</u>	<u>-</u>
Total revenues	<u>\$ 1,109,258</u>	<u>\$ -</u>	<u>\$ 392,900</u>	<u>\$ (14,503)</u>	<u>\$ 1,487,655</u>
Segment profits (losses)	<u>\$ 265,692</u>	<u>\$ -</u>	<u>\$ (27,651)</u>	<u>\$ 1,191</u>	<u>\$ 239,232</u>
					(Concluded)

Inter-segment revenue was accounted for according to market prices.

b. Total segment assets

	March 31, 2026	December 31, 2025	March 31, 2025
Integrated signal connectors	\$ 6,120,461	\$ 5,654,087	\$ 5,134,068
Power supplies and LED lighting products	1,170,960	1,186,920	-
Other	<u>836,906</u>	<u>831,808</u>	<u>859,725</u>
	<u>\$ 8,128,327</u>	<u>\$ 7,672,815</u>	<u>\$ 5,993,793</u>

c. Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products.

	For the Three Months Ended March 31	
	2026	2025
Information products	\$ 260,457	\$ 263,706
Internet communication products	898,252	824,690
Consumer electronics	175,691	167,678
Power supplies and LED lighting products	383,525	-
Other products	<u>205,983</u>	<u>231,581</u>
	<u>\$ 1,923,908</u>	<u>\$ 1,487,655</u>

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance (Note 4)	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
0	U.D. Electronic Corp.	U.D. Electronic Vietnam Company Limited	Other receivables from related party	Yes	\$ 1,049,437	\$ 1,049,437	\$ 1,001,444	1.91-2.08	Demand of short-term financing	\$ -	Operating capital	\$ -	-	-	\$ 1,885,103 (Note 2)	\$ 1,885,103 (Note 2)
1	Morning Paragon Limited	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Other receivables from related party	Yes	25,894	25,894	25,894	2.01	Demand of short-term financing	-	Operating capital	-	-	-	28,114 (Notes 3)	28,114 (Notes 3)
2	Zhong Jiang U.D.E. Electronics Corp.	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Other receivables from related party	Yes	194,206	194,206	194,206	1.91-2.18	Demand of short-term financing	-	Operating capital	-	-	-	572,424 (Note 5)	1,122,400 (Note 5)
3	Zhong Jiang U.D.E. Networking Electronics Corp.	Zhong Jiang U.D.E. Electronics Corp.	Other receivables from related party	Yes	27,744	27,744	27,744	2.81	Demand of short-term financing	-	Operating capital	-	-	-	36,682 (Note 6)	36,682 (Note 6)

- Note 1: Intercompany relationships should be notified in the No. Colum, the coding method is as follow:

a. 0 for parent company.
b. The rest subsidiaries coding from 1.
- Note 2:

a. The total amount available for lending to a company with business transactions, shall not exceed the higher amount of the lending company’s most recent year’s predictable purchases or sells with such company and shall not exceed 10% of the net worth of the Company.

b. The total or individually amount available for lending is as follow:

1) The total amount available for lending to the subsidiaries whose voting shares are 100% owned directly or indirectly by the lending company, shall not exceed 40% of higher the net worth of the lending company based on their most recent audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 40% of the net worth of the lending company based on its most recent audited or reviewed financial statements.

2) The total amount available for lending to the subsidiaries, whose voting shares are not 100% owned directly or indirectly by the lending company, shall not exceed 20% of higher the net worth of the lending company based on their most recent audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 10% of the net worth of the lending company based on its most recent audited or reviewed financial statements.

c. The lending between foreign company whose voting shares are 100% owned directly or indirectly by the Company or the between the Company and the foreign company whose voting shares are 100% owned directly or indirectly by the Company still restricted to (b.) only the calculation of net worth is still based on the net worth of lending company.
- Note 3: The lending regulations of Morning Paragon Limited is as follows:

a. The total amount available for lending to a company with business transactions, shall not exceed the higher amount of the lending company’s most recent year’s predictable purchases or sells with such company and shall not exceed 10% of the net worth of the Company.

b. The total or individually amount available for lending is as follow:

1) The total amount available for lending to the subsidiaries whose voting shares are 100% owned directly or indirectly by the lending company, shall not exceed 40% of higher the net worth of the lending company based on their most recently audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 40% of the net worth of the lending company based on its most recently audited or reviewed financial statements.

2) The total amount available for lending to the subsidiaries, whose voting shares are not 100% owned directly or indirectly by the lending company, shall not exceed 20% of higher the net worth of the lending company based on their most recently audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 10% of the net worth of the lending company based on its most recently audited or reviewed financial statements.

c. The lending between foreign company whose voting shares are 100% owned directly or indirectly by the Company or the between the Company and the foreign company whose voting shares are 100% owned directly or indirectly by the Company still restricted to (b.) only the calculation of net worth is still based on the net worth of lending company.
- Note 4: Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation, and translated into NTD with the exchange rate on the reporting date.
- Note 5: The lending regulations of Dongguan Jian Guan P.E. Co, Ltd. and Zhong Jiang U.D.E. Electronics Corp. are as follows:

a. The total amount available for lending to a company with business transactions, shall not exceed the higher amount of the lending company’s purchases or sells with such company and shall not exceed 10% of the net worth of the Company.

b. If there is a need for short-term financing, the total amount of capital loans and the limits of individual objects are as follow:

1) The total amount available for lending to the subsidiaries whose voting shares are owned directly or indirectly by the lending company and inter-subsidiaries, shall not exceed 40% of higher the net worth of the lending company based on their most recent audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 40% of higher the net worth of the lending company multiple its shareholding ratio based on its most recently audited or reviewed financial statements.

2) The total amount available for lending to the companies, whose voting shares are not owned directly or indirectly by the lending company, shall not exceed 20% of higher the net worth of the lending company based on their most recent audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 10% of the net worth of the lending company based on its most recently audited or reviewed financial statements.

(Continued)

Note 6: The lending regulations of Zhong Jiang U.D.E. Electronics Corp. are as follows:

 a. The total amount available for lending to a company with business transactions, shall not exceed the higher amount of the lending company’s purchases or sells with such company and shall not exceed 10% of the net worth of the Company.

 b. If there is a need for short-term financing, the total amount of capital loans and the limits of individual objects are as follow:

 The inter-subsidiaries, shall not exceed 40% of higher the net worth of the lending company based on their most recently audited or reviewed financial statements. For lending to any individual company, the total amount available for lending shall not exceed 40% of the net worth of the lending company multiple its shareholding ratio based on its most recently audited or reviewed financial statements.

Note 7: The interest expenses due to financing ended December 31, 2025 are specified as follows:

 Dongguan De Yang Precision Rubber Plastic Co., Ltd.: The sum of interest expenses is \$1,117 thousand.

 U.D. Electronic Vietnam Company Limited. The sum of interest expenses is \$4,547 thousand.

 Zhong Jiang U.D.E. Electronics Corp. The sum of interest expenses is \$363 thousand.

(Concluded)

TABLE 2

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 2)										
0	U.D. Electronic Corp.	All First International Co., Ltd.	b	Net value 100% \$ 4,712,757	\$ 1,183,815	\$ 1,183,815	\$ 191,970	\$ -	25.12	Net value 100% \$ 4,712,757	Yes	-	-
		Zhong Jiang U.D.E. Electronics Corp.	b	Net value 100% 4,712,757	924,791	924,791	145,569	127,209	19.62	Net value 100% 4,712,757	Yes	-	Yes
		U.D.ELECTRONIC VIETNAM COMPANY	b	Net value 100% 4,712,757	369,959	369,959	-	-	7.85	Net value 100% 4,712,757	Yes	-	-
		DYP Corp.	b	Net value 20% 942,551	253,996	253,996	-	-	5.39	Net value 40% 1,885,103	Yes	-	-
		Morning Paragon Limited	b	Net value 20% 942,551	191,970	191,970	-	-	4.07	Net value 40% 1,885,103	Yes	-	-

Note 1: Intercompany relationships should be notified in the No. Colum, the coding method is as follow:

- a. 0 for parent company.
- b. The rest subsidiaries coding from 1.

Note 2: a. Individual endorsement amounts to a company with business transactions shall not exceed the most recent year’s or the coming year’s predictable purchases or sells with such company and not exceed 10% of U.D.E.’s net worth based on its most recent financial statement.

b. Subsidiaries whose voting shares are 50% above owned directly or indirectly by U.D.E.

- 1) The total amount of the guarantee provided by U.D.E. to its subsidiaries whose voting shares are 100% owned directly or indirectly by U.D.E. shall not exceed 100% of U.D.E.’s net worth based on its most recent financial statements. The total amount of the guarantee provided by U.D.E. to its individual subsidiary shall not exceed 100% of U.D.E.’s net worth based on its most recent financial statements.
- 2) The total amount of the guarantee provided by U.D.E. to its subsidiaries whose voting shares are 50% above but not 100% owned directly or indirectly by U.D.E. shall not exceed 40% of U.D.E.’s net worth based on its most recent financial statements. The total amount of the guarantee provided by U.D.E. to its individual subsidiary shall not exceed 20% of U.D.E.’s net worth based on its most recent financial statements.
- 3) Between the subsidiaries whose voting shares are owned directly or indirectly by U.D.E.
 - a) The total amount of the guarantee provided by subsidiaries to subsidiaries whose voting shares are 100% owned directly or indirectly by each other shall not exceed 100% of U.D.E.’s net worth based on its most recent financial statements. The total amount of the guarantee provided by U.D.E. to its individual subsidiary shall not exceed 100% of U.D.E.’s net worth based on its most recent financial statements.
 - b) The total amount of the guarantee provided by its subsidiaries to another subsidiaries whose voting shares are 90% above but not 100% owned directly or indirectly by each other shall not exceed 10% of U.D.E.’s net worth based on its most recent financial statements. The total amount of the guarantee provided by U.D.E. to its individual subsidiary shall not exceed 10% of U.D.E.’s net worth based on its most recent financial statements.
- c. The total amount of the guarantee provided by U.D.E. to its subsidiaries whose voting shares are 50% above owned directly or indirectly by U.D.E. shall not exceed 40% of U.D.E.’s net worth based on its most recent financial statements. The total amount of the guarantee provided by U.D.E. to its individual subsidiary shall not exceed 20% of U.D.E.’s net worth based on its most recent financial statements.

Note 3: The amount has been eliminated on consolidation, and translated into NTD with the exchange rate on the reporting date.

TABLE 3

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
U.D. Electronic Corp.	Emerging Creation Capital Inc.	-	Financial assets at FVTOCI - non-current	2,120	\$ 20,143	10.13	\$ 20,143	Note
	Dy-Precision Industrial Co., Ltd.	-	"	725	9,403	16.22	9,403	Note
	Yongda Investment Co., Ltd.	-	"	5,000	66,128	17.99	66,128	Note

Note: The highest shareholding ratio of the above is equal to the end-of-period shareholding ratio and there is no collateralized pledge.

TABLE 4

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
U.D. Electronic Corp.	All First International Co., Ltd.	Sub-subsidiary of U.D. Electronic Corp.	Purchase	\$ 984,292	94	O/A 105 days	-	-	\$ (1,972,610)	(94)	Note 1
All First International Co., Ltd.	U.D. Electronic Corp.	Parent company	Sale	(984,292)	(92)	O/A 105 days	"	"	1,972,610	97	"
	Zhong Jiang U.D.E. Electronics Corp.	Affiliated company	Purchase	1,042,484	98	O/A 105 days	"	"	(1,073,032)	(98)	"
Zhong Jiang U.D.E. Electronics Corp.	All First International Co., Ltd.	Affiliated company	Sale	(1,042,484)	(98)	O/A 105 days	"	"	1,073,032	95	"
Morning Paragon Limited	DYP Corp.	Affiliated company	Sale	(104,456)	(92)	O/A 105 days	"	"	90,033	89	"
	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Affiliated company	Purchase	103,933	92	O/A 105 days	"	"	(66,325)	(83)	"
DYP Corp.	Morning Paragon Limited	Affiliated company	Purchase	104,456	93	O/A 105 days	"	"	(90,033)	(91)	"
Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Morning Paragon Limited	Affiliated company	Sale	(103,933)	(79)	O/A 105 days	"	"	66,325	59	"

Note 1: Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation.

Note 2: The prices and payment terms to related parties were not significantly different from those of sales to third parties.

TABLE 5

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount	Actions Taken		
All First International Co., Ltd.	U.D. Electronic Corp.	Parent company	Trade receivables \$ 1,972,610	0.51	\$ -	-	\$ 4,388	\$ -
Zhong Jiang U.D.E. Electronics Corp.	All First International Co., Ltd.	Affiliated company	" 1,073,032	6.26	-	-	23,470	-
Zhong Jiang U.D.E. Electronics Corp.	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Affiliated company	Other receivables 195,741 (including interest receivables)	-	-	-	-	-
U.D. Electronic Corp.	U.D. Electronic Vietnam Company Limited	Affiliated company	Other receivables 1,009,975 (including interest receivables)	-	-	-	-	-

Note 1: Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation.

Note 2: The amount recovered from April 1, 2026 to May 6, 2026.

TABLE 6

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

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

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount (Note 3)	Payment Terms	% of Total Sales or Assets (Note 4)
0	U.D. Electronic Corp.	All First International Co., Ltd.	a.	Endorsements/guarantees provided	\$ 1,183,815	-	15
		DYP Corp.	a.	Endorsements/guarantees provided	253,996	-	3
		Morning Paragon Limited	a.	Endorsements/guarantees provided	191,970	-	2
		Zhong Jiang U.D.E. Electronics Corp.	a.	Endorsements/guarantees provided	924,791	-	11
		U.D. Electronic Vietnam Company Limited	a.	Endorsements/guarantees provided	369,959	-	5
				Other receivables	1,009,975	Financing (including interest receivables \$8,531)	12
1	All First International Co., Ltd.	U.D. Electronic Corp.	b.	Revenue	984,292	Negotiated case by case. O/A 105 days	51
				Trade receivables	1,972,610		24
3	Zhong Jiang U.D.E. Electronics Corp.	All First International Co., Ltd.	c.	Revenue	1,042,484	Negotiated case by case. O/A 105 days	54
		Dongguan De Yang Precision Rubber Plastic Co., Ltd.	c.	Trade receivables	1,073,032	Financing (including interest receivables \$1,535)	13
				Other receivables	195,741		2
5	Morning Paragon Limited	DYP Corp.	c.	Revenue	104,456	Negotiated case by case. O/A 105 days	5
				Trade receivables	90,033		1
7	Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Morning Paragon Limited	c.	Revenue	103,933	Negotiated case by case. O/A 105 days	5
				Trade receivables	66,325		1

Intercompany relationships:

U.D. Electronic Corp., DYP Corp. and CDE Corp. mainly engages in electronic material trading and international trading; Dongguan Jian Guan P.E. Co., Ltd., Zhong Jiang U.D.E. Electronics Corp. and Dongguan De Yang Precision Rubber Plastic Co., Ltd. mainly engage in electronic components manufacturing; Zhong Jiang U.D.E. Networking Electronics Corp. mainly engages in electronic components trading, while Global Connection (Samoa) Holding Inc., Sunderland Inc., San Francisco Inc., Morning Paragon Limited and Ta Yang UDE Limited are holding companies; All First International Co., Ltd. is an international trading company; Dongguan U.D.E. Electronics Corp. mainly engages in development and sales of electronic components; and Dongguan Han Lian Technology Co., Ltd. mainly engages in manufacturing and sales of electronic connectors and electronic products.

Note 1: Intercompany relationships should be notified in the No. Colum, the coding method is as follow:

- a. 0 for parent company.
- b. The rest subsidiaries coding from 1.

(Continued)

Note 2: The Intercompany relationships are as follow (If the transaction is the same between the parent company and subsidiaries or between subsidiaries, there is no need to redisclose. For example, transactions between parent company and subsidiaries, if the parent company has disclosed, the subsidiaries will not need to disclose; transactions between subsidiaries, if one of them has disclosed, the other will not need to disclose.

- a. Parent company to subsidiaries.
- b. Subsidiaries to parent company.
- c. Subsidiaries to subsidiaries.

Note 3: This table only reveals one-way transaction information. Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation.

Note 4: The calculation of the percentage of the transaction accounts for total consolidated revenues or total assets. For the assets and liabilities subject, they are calculated by the ending balance divided by the consolidated total assets. For the revenue and expense subjects, they are calculated by the accumulated amount at the end of period divided by the consolidated total revenue.

Note 5: This table disclosed the significant purchase or sales exceeded the amount \$100,000 thousand.

(Concluded)

TABLE 7

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands Dollars of Unit, Except for the Shares In Thousands)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note 4)		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2026	December 31, 2025	Number of Shares	%	Carrying Amount			
U.D. Electronic Corp.	Global Connection (Samoa) Holding Inc.	Samoa	Holding company	\$ 1,634,593 (US\$ 51,089)	\$ 1,605,727 (US\$ 51,089)	51,089	100.00	\$ 3,721,139	\$ 49,425	\$ 49,425	Notes 1 and 2
	CDE Corp.	Taiwan	Manufacturing and selling of electronic materials	150,000	150,000	15,000	100.00	141,843	9,371	9,371	Notes 1 and 2
	DYP Corp.	Taiwan	Selling of electronic components	112,200	112,200	11,220	51.00	37,357	(3,409)	(1,739)	Notes 1, 2 and 3
	U.D. Electronic Vietnam Company Limited	Vietnam	Manufacturing and selling of electronic materials	154,622 (VND 118,944,535)	154,622 (VND 118,944,535)	-	100.00	(38,820)	(15,425)	(15,425)	Notes 1 and 2
	Jinyue Investment Co., Ltd.	Taiwan	General investment	30,000	30,000	3,000	100.00	30,142	-	-	Notes 1 and 2
	KAYO UDE Limited	Samoa	Holding company	32,635 (US\$ 1,020)	-	2,000	51.00	32,642	14	7	Notes 1 and 2
Global Connection (Samoa) Holding Inc.	Sunderland Inc.	Republic of Mauritius	Holding company	449,978 (US\$ 14,064)	442,032 (US\$ 14,064)	14,064	100.00	209,162	(23,762)	(23,762)	Notes 1 and 2
	San Francisco Inc.	Republic of Mauritius	Holding company	881,014 (US\$ 27,536)	865,456 (US\$ 27,536)	27,536	100.00	2,806,043	71,538	71,538	Notes 1 and 2
	All First International Co., Ltd.	Samoa	International trading	319,950 (US\$ 10,000)	314,300 (US\$ 10,000)	10,000	100.00	722,741	2,313	2,313	Notes 1 and 2
DYP Corp.	Ta Yang UDE Limited	Samoa	Holding company	118,733 (US\$ 3,711)	116,637 (US\$ 3,711)	4,438	100.00	(49,261)	6,803	6,919	Notes 1, 2 and 3
Ta Yang UDE Limited	Morning Paragon Limited	Samoa	International trading	62,029 (US\$ 1,938.7)	60,933 (US\$ 1,939)	1,939	100.00	70,285	(2,012)	(2,012)	Notes 1 and 2
Linkpower Electronics Co., Ltd.	Noblestyle Electronics(HK) Co., Limited	Hong Kong	General business	403 (HK\$ 100)	403 (HK\$ 100)	-	91.09	(26,603)	(6,238)	(5,682)	Notes 1, 2 and 3

Note 1: No market price for reference. The book value on the reporting date is used as the fair value instead.

Note 2: Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation.

Note 3: The investment gain or loss was recognized based on the net income after tax less unrealized up-stream or side-stream gain or loss.

Note 4: The amount of foreign currency investment was translated with the exchange rate on the reporting date.

Note 5: Information on investments in mainland China. Refer to Table 8.

TABLE 8

U.D. ELECTRONIC CORP. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars and Foreign Currencies)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2026	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2026	% Ownership of Direct or Indirect Investment	Net Income (Loss) of the Investee	Investment Gain (Loss) (Notes 2 b.(2) and 7)	Carrying Amount as of March 31, 2026 (Note 7)	Accumulated Repatriation of Investment Income as of March 31, 2026
					Outward	Inward						
Dongguan Jian Guan P.E. Co, Ltd.	Manufacturing and selling of electronic components	\$ 463,399 (HK\$ 116,432)	b. (1)	\$ 405,981 (HK\$ 12,647 and US\$ 12,000)	\$ -	\$ -	\$ 405,981 (HK\$ 12,647 and US\$ 12,000)	100.00	\$ (24,219)	\$ (24,219) (Note 6)	\$ 176,948	\$ -
Zhong Jiang U.D.E. Electronics Corp.	Manufacturing and selling of electronic components	935,975 (US\$ 29,000)	b. (2)	833,835 (US\$ 27,603)	-	-	833,835 (US\$ 27,603)	100.00	71,538	71,538 (Note 6)	2,806,000	-
Zhong Jiang U.D.E. Networking Electronics Corp.	Selling of electronic components	2,476 (RMB 500)	b. (3)	- (Note 3)	-	-	-	100.00	2,664	2,664	91,705	-
Dongguan De Yang Precision Rubber Plastic Co., Ltd.	Manufacturing and selling of electronic components	76,252 (US\$ 2,500)	b. (4)	70,734 (US\$ 2,342)	-	-	70,734 (US\$ 2,342)	51.00	8,815	4,496	(60,750)	-
Dongguan U.D.E. Electronics Corp.	Researching of electronic components	16,125 (US\$ 500)	b. (1)	15,871 (US\$ 502)	-	-	15,871 (US\$ 502)	100.00	456	456	32,190	-
Dongguan Han Lian Technology Co., Ltd.	Manufacturing and selling of electronic connectors and electronic products	37,392 (RMB 8,400)	b. (5)	- (Note 4)	-	-	-	85.00	1,742	1,742	37,878 (Note 5)	-
Shenzhen Deshenglong Electronics Co., Ltd.	Manufacturing of computer hardware, software and peripheral devices	45,608 (RMB 10,000)	b. (5)	- (Note 4)	-	-	-	40.00	-	-	(203)	-
Linkpower Electronics Co., Ltd.	Manufacturing and selling of electronic components	115,329 (RMB 26,000)	b. (3)	- (Note 3)	-	-	-	91.09	37,767	33,017	1,208,547 (Note 5)	-
Huangshan Yuhao Electronics Co., Ltd.	Manufacturing of electronic components	22,179 (RMB 5,000)	b. (3)	- (Note 3)	-	-	-	91.09	(1,418)	(1,292)	32,733 (Note 5)	-
Hangzhou Qigu Technology Co., Ltd.	Real estate investment business	11,200 (RMB 2,525)	b. (3)	- (Note 3)	-	-	-	91.09	(344)	(313)	2,340 (Note 5)	-

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2026	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$1,326,421	\$1,418,521	Note 8

- Note 1: Three methods of investing in mainland China are as follows:
- a. Directly invests in mainland China.
 - b. Investments in mainland China through an existing company established in a third region
 - 1) Investments in mainland China through an existing company established in a third region (Global Connection (Samoa) Holding Inc. invested in Sunderland Inc.)
 - 2) Investments in mainland China through an existing company established in a third region (Global Connection (Samoa) Holding Inc. invested in San Francisco Inc.)
 - 3) Investments in mainland China through an existing company established in a third region (Global Connection (Samoa) Holding Inc. invested in San Francisco Inc. and re-invested in Zhong Jiang U.D.E. Electronics Corp.)
 - 4) Investments in mainland China through an existing company established in a third region (Ta Yang U.D.E Limited)
 - 5) Investments in mainland China through an existing company established in a third region (Global Connection (Samoa) Holding Inc. invested in Sunderland Inc. and re-invested in Dongguan Jian Guan P.E. Co, Ltd.)
 - c. Other methods.

- Note 2: In the column of investment gain (loss)
- a. If the investment is still in preparation and there is no investment gain (loss), it will be specified.
 - b. The basis for recognizing investment gain (loss) is as follows:
 - 1) The financial statement reviewed by the attesting CPA of international accounting firm in cooperation with an accounting firm in the ROC.
 - 2) The financial statement reviewed by the attesting CPA of parent company in Taiwan.
 - 3) Other.

Note 3: Zhong Jiang U.D.E. Networking Electronics Corp. and Zhong Jiang U.D.E. Electronics Corp. is invested directly by Zhong Jiang U.D.E. Electronics Corp. Huangshan Yuhao Electronics Co., Ltd and Hangzhou Qigu Technology Co., Ltd. is invested directly by Zhong Jiang U.D.E. Electronics Corp. No outward remittance for investment from Taiwan.

Note 4: Dongguan Han Lian Technology Co., Ltd. and Shenzhen Deshenglong Electronics Co., Ltd. are invested directly by Dongguan Jian Guan P.E. Co., Ltd. No outward remittance for investment from Taiwan.

Note 5: Includes the differences between the cost of investment and the net value of the equity.

Note 6: Unrealized gross profit of up-stream and side-stream transactions were considered.

Note 7: Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation.

Note 8: Pursuant to the Ministry of Economic Affairs’ authorization document No. 11351017250 dated October 4, 2024, the Company obtained a Headquarters Operation Certification issued by the Industrial Development Bureau of the Ministry of Economic Affairs, valid from September 16, 2024 to September 15, 2027. Consequently, there is no restriction on the Company’s investment limit in Mainland China.

(Continued)

Significant transactions with investee companies in the mainland area, either directly or indirectly through a third area:

1. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period, and
2. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

In Thousands of New Taiwan Dollars

Related Party	Type	Purchase (Sale)		Price	Transaction Detail		Notes/Accounts Receivable (Payable)		Unrealized Gain/(Loss)	Note
		Amount	% of Total		Payment Terms	Compare to Normal Transactions	Ending Balance	% of Total		
Dongguan Jian Guan P.E. Co, Ltd.	Purchase	\$ 2,611	-	Negotiated case by case	O/A 105 days	Note 7	\$ 806	-	\$ -	Note 1
Zhong Jiang U.D.E. Electronics Corp.	(Sale)	(14,280)	(1)	Negotiated case by case	O/A 105 days	"	26,481	1	-	Note 2
	Purchase	1,042,484	98	Negotiated case by case	O/A 105 days	"	(1,073,032)	(98)	16,824	Note 3
Zhong Jiang U.D.E. Networking Electronics Corp.	(Sale)	(14,280)	(1)	Negotiated case by case	O/A 105 days	"	4,452	-	-	Note 4
Dongguan De Yang Precision Rubber Plastic. Co, Ltd.	Purchase	103,933	79	Negotiated case by case	O/A 105 days	"	(66,325)	(59)	433	Note 5

- Note 1: The transaction of All First International Co., Ltd. purchase from Dongguan Jian Guan P.E. Co., Ltd.
- Note 2: The transaction of All First International Co., Ltd. sales to Zhong Jiang U.D.E. Electronics Corp.
- Note 3: The transaction of All First International Co., Ltd. purchase from Zhong Jiang U.D.E. Electronics Corp.
- Note 4: The transaction of All First International Co., Ltd. sales to Zhong Jiang U.D.E. Networking Electronics Corp.
- Note 5: The transaction of Morning Paragon Limited purchase from Dongguan De Yang Precision Rubber Plastic. Co, Ltd.
- Note 6: Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.
- Note 7: The payment terms of non-related party are negotiated case by case, and payment is received in advance or from O/A 30 days to O/A 90 days.
3. The amount of property transactions and the amount of the resultant gains or losses: None.
4. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
5. The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1.
6. Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None.

(Concluded)