

Taiwan Mask Corporation and Subsidiaries
Consolidated Financial Statements and
Independent Auditor's Review Report
Q2 2026 and 2025
(Stock Code: 2338)

Company address: No. 11, Chuangxin 1st Road, Baoshan, Hsinchu
County, Hsinchu Science Park

Telephone: (03)563-4370

Taiwan Mask Corporation and Subsidiaries
Q2 2026 and 2025 Consolidated Financial Statements and Independent Auditor's
Review Report
Table of Contents

Items	Page
I. Cover	1
II. Table of Contents	2 ~ 3
III. Independent Auditors' Review Report	4 ~ 6
IV. Consolidated Balance Sheet	7 ~ 8
V. Consolidated Statement of Comprehensive Income	9
VI. Consolidated Statement of Changes in Equity	10
VII. Consolidated Statement of Cash Flows	11 ~ 12
VIII. Notes to the Consolidated Financial Statements	13 ~ 94
(I) Company History	13
(II) Date and procedures for passing the financial statement	13
(III) Application of New and Revised International Financial Reporting Standards	13 ~ 14
(IV) Summary of Significant Accounting Policies	14 ~ 26
(V) Critical Accounting Judgments and Key Sources of Estimation and Uncertainty	26
(VI) Summary of Significant Accounting Items	27 ~ 72
(VII) Related Party Transactions	72 ~ 76
(VIII) Pledged Assets	77

Items	Page
(IX) Significant Contingent Liabilities and Unrecognized Contract Commitments	77 ~ 78
(X) Losses due to Major Disasters	78
(XI) Major Events after Financial Statement Date	78
(XII) Others	78 ~ 78
(XIII) Supplementary Disclosure	78 ~ 92
(XIV) Segment Information	92 ~ 94

Independent Auditors' Review Report

(115) Tsai-Sheng-Bao-Zi No. 26001009

To Taiwan Mask Corporation,

Introduction

We have reviewed the accompanying consolidated balance sheets as of June 30, 2026 and 2025 and the restated consolidated balance sheet as of December 31, 2025, the consolidated statements of comprehensive income for the periods starting April 1 and ending June 30, 2026 and 2025 and starting January 1 and ending June 30, 2026 and 2025, and the consolidated statements of changes in equity and cash flows for the periods starting January 1 and ending June 30, 2026 and 2025, as well as the notes to the consolidated financial statements (including the summary of significant accounting policies), for Taiwan Mask Corporation and subsidiaries (collectively referred to as the Group). The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS No. 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope

Except as explained in the following paragraph, we conducted our reviews in accordance with Standards on Review Engagements No. 2410, "Review of Financial Statements" in the Republic of China. The procedures performed when reviewing the consolidated financial statements include inquiries (mainly inquiring personnel responsible for financial and accounting tasks), analytical procedures and other review procedures. The scope of review is obviously smaller than that of audit. Therefore, the accountant may not be able to detect all the significant matters that can be identified through audit, so it is impossible to express an audit opinion.

Basis for qualified opinion

As stated in Note 4 (3) of the consolidated financial statements, the financial statements for the same period for some insignificant subsidiaries included in the abovementioned consolidated financial statements have not been reviewed by a CPA and the total amount of their assets as of June 30, 2026 and 2025 was NT\$3,147,964 thousand and NT\$3,007,654 thousand, accounting for 17.14% and 16.16% of the total consolidated assets, respectively; the total amount of their liabilities was NT\$2,048,667 thousand and NT\$1,942,439 thousand, accounting for 16.94% and 12.68% of the total consolidated liabilities, respectively; the total amount of comprehensive income from April 1 to June 30, 2026 and 2025 was NT\$ (13,729) thousand and NT\$ (165,761) thousand and that from January 1 to June 30, 2026 and 2025 was NT\$ (3,507) thousand and NT\$ (317,915) thousand, accounting for (36.96%), 29.33%, (1.71%) and 36.28% of the total consolidated comprehensive income, respectively. As stated in Notes 6 (7) to the Consolidated Financial Statements, part of the investment using the equity method is prepared based on the financial statements from each company for the same period not reviewed by a CPA. The balance of investments using the equity method as of June 30, 2026 and 2025 was NT\$110,852 thousand and NT\$64,860 thousand, accounting for 0.60% and 0.35% of the total consolidated assets, respectively; the share of losses of associates recognized using the equity method from April 1 to June 30, 2026 and 2025 was NT\$ (4,617) thousand and NT\$ (16,057) thousand and that from January 1 to June 30, 2026 and 2025 was NT\$ (11,089) thousand and NT\$ (24,394) thousand, accounting for (12.43%), 2.84%, (5.41%) and 2.78% of the consolidated comprehensive income, respectively.

Qualified opinion

Based on the results of our review, except for the matter described in the basis for qualified opinion that the financial statement of insignificant subsidiaries and the investments using the equity method may affect adjustments to the consolidated financial statements upon the CPA's review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as

of June 30, 2026 and 2025, the results of the consolidated financial operations from April 1 to June 30, 2026 and 2025 and that from January 1 to June 30, 2026 and 2025 and the consolidated cash flows from January 1 to June 30, 2026 and 2025 in conformity with the Regulations Governing the Preparation of Financial Statements by Securities Issuers and IAS 34: “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Executive Yuan.

Emphasis of matter

As described in Note 6 (35) to the consolidated financial statements, in February 2026, the Group acquired 100% equity interests in LUMAPURE CO., LTD. for NT\$6,000 thousand in cash. The acquisition was an organizational restructuring under common control. Accordingly, the Group prepared the consolidated financial statements for the comparative periods using the book value method of consolidation from the date of control. Our review conclusion is not modified in respect of this matter.

PricewaterhouseCoopers Taiwan

Chien-Yu Liu

CPA

Hsin-Yi Tsai

Financial Supervisory Commission

Approval Document for Attestation: Jin-Guan-Zheng-Shen-Zi No. 1090350620

Jin-Guan-Zheng-Shen-Zi No. 1140351490

August 11, 2026

Taiwan Mask Corporation and Subsidiaries
Consolidated Balance Sheets
June 30, 2026 and December 31 and June 30, 2025

Unit: NT\$ Thousand

			(Restated)					
			June 30, 2026		December 31, 2025		June 30, 2025	
Assets		Notes	Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and Cash Equivalents	6(1)	\$ 1,556,253	9	\$ 862,276	5	\$ 935,523	5
1110	Financial Assets at Fair Value	6(2) and 8	(Restated)					
	Through Profit or Loss - Current		1,571,736	9	1,762,276	10	1,955,622	11
1136	Financial Assets at Amortized Cost	6(4) and 8						
	- Current		1,104,114	6	805,245	5	213,880	1
1140	Contract Asset - Current	6(26)	66,433	-	79,142	1	60,425	-
1150	Notes Receivables (Net)	6(5)	27,442	-	20,841	-	11,692	-
1170	Accounts Receivables (Net)	6(5)	1,039,731	6	918,208	5	1,029,539	6
1180	Accounts Receivables - Related	6(5) and 7						
	Parties (Net)		1,611	-	3,251	-	72	-
1200	Other Receivables	6(36)	117,095	1	43,285	-	29,116	-
1210	Other Receivables - Related Parties	7	6,077	-	5,608	-	2,024	-
1220	Tax Assets for the Period		654	-	728	-	333	-
130X	Inventories	6(6)	438,943	2	419,282	2	690,383	4
1410	Prepayments		333,053	2	351,814	2	278,624	1
1460	Net Non-Current Assets Held for	6(14)						
	Sale		981,169	5	-	-	-	-
1470	Other Current Assets		11,993	-	13,003	-	13,296	-
11XX	Total Current Assets		7,256,304	40	5,284,959	30	5,220,529	28
Non-Current Assets								
1510	Financial Asset at Fair Value	6(2) and 8						
	Through Profit or Loss - Non							
	Current		447,582	2	202,023	1	203,269	1
1517	Financial assets measured at fair	6(3)						
	value through other comprehensive							
	income - Non Current		45,000	-	-	-	-	-
1535	Financial Assets at Amortized Cost	6(4) and 8						
	- Non Current		422,070	2	446,624	3	646,719	4
1550	Investment under Equity Method	6(7)	468,062	3	423,096	2	439,580	2
1600	Property, plant and equipment	6(8) and 8	8,521,115	46	9,887,318	57	10,492,294	57
1755	Right-of-use Asset	6(9)	385,103	2	389,426	2	395,516	2
1760	Investment property (Net)	6(11) and 8	44,844	-	178,933	1	180,797	1
1780	Intangible assets	6(12) and 8	293,112	2	307,661	2	591,936	3
1840	Deferred Income Tax Assets		26,994	-	28,661	-	24,257	-
1900	Other Non-Current Assets	6(15)	454,781	3	339,667	2	418,539	2
15XX	Total Non-Current Assets		11,108,663	60	12,203,409	70	13,392,907	72
1XXX	Total Assets		\$ 18,364,967	100	\$ 17,488,368	100	\$ 18,613,436	100

(Continued)

Taiwan Mask Corporation and Subsidiaries
Consolidated Balance Sheets
June 30, 2026 and December 31 and June 30, 2025

Unit: NT\$ Thousand

Liabilities and Equities		Notes	(Restated) June 30, 2026		December 31, 2025		June 30, 2025	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short Term Loans	6(16) and 7	\$ 4,381,526	24	\$ 4,831,971	28	\$ 4,788,863	26
2120	Financial Liabilities at Fair Value	6(2)						
	Through Profit or Loss - Current		55,000	-	(Restated) 20,000	-	30,694	-
2130	Contract Liabilities - Current	6(26)	393,276	2	207,391	1	133,795	1
2150	Notes Payable		-	-	-	-	44,956	-
2170	Accounts Payable		380,980	2	417,983	2	379,160	2
2200	Other Payables	6(17)	869,174	5	970,891	6	1,375,568	8
2220	Other Payables - Related Parties	7	318	-	26	-	-	-
2230	Income Tax Liabilities for the							
	Period		17,904	-	13,399	-	8,664	-
2250	Provision for Liabilities - Current		1,952	-	3,260	-	9,460	-
2280	Lease Liability - Current		48,608	-	38,088	-	31,921	-
2320	Long-term liabilities due within	6(18)						
	one year or one business cycle	(19)	1,549,666	9	1,728,036	10	2,967,580	16
2365	Refund Liabilities - Current		57,669	-	-	-	-	-
2399	Other Current Liabilities - Other	6(14)	623,172	4	75,026	-	39,823	-
21XX	Total Current Liabilities		<u>8,379,245</u>	<u>46</u>	<u>8,311,071</u>	<u>47</u>	<u>9,810,484</u>	<u>53</u>
Non-current liabilities								
2530	Corporate bonds payable	6(18)	1,997,438	11	1,996,838	12	1,996,238	10
2540	Long-term Loans	6(19)	1,237,349	7	2,342,790	13	2,962,576	16
2570	Deferred Income Tax.		114,542	-	114,616	1	162,215	1
2580	Lease liability - Non Current		351,452	2	366,321	2	377,756	2
2640	Defined Benefit Liabilities - Non	6(20)						
	Current		2,692	-	2,815	-	4,061	-
2645	Guarantee Deposits Received		13,579	-	704	-	953	-
25XX	Total Non-Current Liabilities		<u>3,717,052</u>	<u>20</u>	<u>4,824,084</u>	<u>28</u>	<u>5,503,799</u>	<u>29</u>
2XXX	Total Liabilities		<u>12,096,297</u>	<u>66</u>	<u>13,135,155</u>	<u>75</u>	<u>15,314,283</u>	<u>82</u>
Equity attributable to shareholders of the parent company								
	Capital	6(22)						
3110	Capital stock		3,668,492	20	3,168,492	18	2,564,562	14
	Capital surplus	6(23)						
3200	Capital surplus		3,508,610	19	2,305,149	14	1,622,453	8
	Retained earnings	6(24)						
3310	Legal reserve		863,958	5	863,958	5	863,958	5
3350	Unappropriated earnings		(1,033,403)	(6)	(1,184,883)	(7)	(654,205)	(4)
	Other equity interests	6(25)						
3400	Other equity interests		37,982	-	18,396	-	(31,253)	-
3500	Treasury stock	6(22) and 8	(891,759)	(5)	(891,759)	(5)	(1,167,369)	(6)
31XX	Total Equities Attributable to Parent Company		<u>6,153,880</u>	<u>33</u>	<u>4,279,353</u>	<u>25</u>	<u>3,198,146</u>	<u>17</u>
35XX	Predecessor interests under common control		-	-	7,068	-	-	-
36XX	Non-controlling Interests		<u>114,790</u>	<u>1</u>	<u>66,792</u>	<u>-</u>	<u>101,007</u>	<u>1</u>
3XXX	Total Equities		<u>6,268,670</u>	<u>34</u>	<u>4,353,213</u>	<u>25</u>	<u>3,299,153</u>	<u>18</u>
	Major Commitments and Contingencies	9						
	Major Events after Financial Statement Date	11						
3X2X	Total Liabilities and Equities		<u>\$ 18,364,967</u>	<u>100</u>	<u>\$ 17,488,368</u>	<u>100</u>	<u>\$ 18,613,436</u>	<u>100</u>

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

Chairman: Chun-Kuang Tu

Manager: Lidon Chen

Accounting Officer: Chao-Hui Juan

Taiwan Mask Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to June 30, 2026 and 2025

Unit: NT\$ Thousand
Earning (Loss) per Share in NTD

Items	Notes	April 1 to June 30, 2026		April 1 to June 30, 2025		January 1 to June 30, 2026		January 1 to June 30, 2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating income	6(26) and 7	\$ 1,513,784	100	\$ 1,589,933	100	\$ 3,052,495	100	\$ 3,217,890	100
5000 Operating costs	6(6) and 7	(1,290,265)	(85)	(1,475,387)	(93)	(2,558,894)	(84)	(2,921,150)	(91)
5900 Gross profit		<u>223,519</u>	<u>15</u>	<u>114,546</u>	<u>7</u>	<u>493,601</u>	<u>16</u>	<u>296,740</u>	<u>9</u>
Operating Expenses	6(31) (32) and 7								
6100 Selling Expenses		(65,901)	(5)	(68,535)	(4)	(130,158)	(4)	(164,711)	(5)
6200 Administrative Expenses		(118,636)	(8)	(91,581)	(6)	(258,399)	(9)	(205,673)	(7)
6300 R&D Expenses		(47,449)	(3)	(81,792)	(5)	(97,016)	(3)	(169,503)	(5)
6450 Expected Credit Impairment Benefit (Loss)	12(2)	(3,637)	-	14,660	1	(5,892)	-	(6,585)	-
6000 Total Operating Expenses		<u>(235,623)</u>	<u>(16)</u>	<u>(227,248)</u>	<u>(14)</u>	<u>(491,465)</u>	<u>(16)</u>	<u>(546,472)</u>	<u>(17)</u>
6900 Operating profit (loss)		<u>(12,104)</u>	<u>(1)</u>	<u>(112,702)</u>	<u>(7)</u>	<u>2,136</u>	<u>-</u>	<u>(249,732)</u>	<u>(8)</u>
Non-operating income and expenses									
7100 Interest income	6(27)	4,192	-	4,576	-	6,736	-	7,919	-
7010 Other Incomes	6(28) and 7	103,880	7	14,870	1	133,708	4	31,560	1
7020 Other Gains and Losses	6(29)	16,521	1	(312,163)	(20)	220,001	7	(415,230)	(13)
7050 Financial Costs	6(30) and 7	(61,830)	(4)	(78,554)	(5)	(132,418)	(4)	(159,997)	(5)
7060 The share of affiliates and joint venture profits and losses recognized by the equity method	6(7)	(6,728)	-	(23,452)	(1)	(17,526)	-	(30,743)	(1)
7000 Total Non-Operating Incomes and Losses		<u>56,035</u>	<u>4</u>	<u>(394,723)</u>	<u>(25)</u>	<u>210,501</u>	<u>7</u>	<u>(566,491)</u>	<u>(18)</u>
7900 Net profit (loss) before tax		<u>43,931</u>	<u>3</u>	<u>(507,425)</u>	<u>(32)</u>	<u>212,637</u>	<u>7</u>	<u>(816,223)</u>	<u>(26)</u>
7950 Income tax expense (or benefit)	6 (33)	(16,964)	(1)	6,157	-	(27,318)	(1)	8,649	-
8200 Net profit (loss) for the period		<u>\$ 26,967</u>	<u>2</u>	<u>\$ 501,268)</u>	<u>(32)</u>	<u>\$ 185,319</u>	<u>6</u>	<u>\$ 824,872)</u>	<u>(26)</u>
Other Comprehensive Incomes (Net)									
8320 Profit and loss of associates and joint ventures recognized by using equity method - Items that will not be reclassified to profit or loss		\$ -	-	\$ 391	-	\$ -	-	\$ 391	-
Components of other comprehensive income that will be reclassified to profit or loss									
8361 Financial statement translation differences of foreign operations	6(25)	<u>10,182</u>	<u>-</u>	<u>(64,191)</u>	<u>(4)</u>	<u>19,586</u>	<u>1</u>	<u>(51,792)</u>	<u>(1)</u>
8300 Other Comprehensive Incomes (Net)		<u>\$ 10,182</u>	<u>-</u>	<u>\$ 63,800)</u>	<u>(4)</u>	<u>\$ 19,586</u>	<u>1</u>	<u>\$ 51,401)</u>	<u>(1)</u>
8500 Total comprehensive income for the year		<u>\$ 37,149</u>	<u>2</u>	<u>\$ 565,068)</u>	<u>(36)</u>	<u>\$ 204,905</u>	<u>7</u>	<u>\$ 876,273)</u>	<u>(27)</u>
Net Profit (Loss) Attributable to:									
8610 Parent Company		\$ 39,438	3	(\$ 395,782)	(25)	\$ 188,945	6	(\$ 652,717)	(20)
8615 Predecessor interests under common control		-	-	-	-	(1,141)	-	-	-
8620 Non-controlling Interests		(12,471)	(1)	(105,486)	(7)	(2,485)	-	(172,155)	(6)
Total		<u>\$ 26,967</u>	<u>2</u>	<u>\$ 501,268)</u>	<u>(32)</u>	<u>\$ 185,319</u>	<u>6</u>	<u>\$ 824,872)</u>	<u>(26)</u>
Total Comprehensive Incomes (Losses) Attributable to:									
8710 Parent Company		\$ 49,620	3	(\$ 459,582)	(29)	\$ 208,531	7	(\$ 704,118)	(22)
8715 Predecessor interests under common control		-	-	-	-	(1,141)	-	-	-
8720 Non-controlling Interests		(12,471)	(1)	(105,486)	(7)	(2,485)	-	(172,155)	(5)
Total		<u>\$ 37,149</u>	<u>2</u>	<u>\$ 565,068)</u>	<u>(36)</u>	<u>\$ 204,905</u>	<u>7</u>	<u>\$ 876,273)</u>	<u>(27)</u>
Basic earnings per share (loss)	6(34)								
9710 Parent Company		\$ 0.12		(\$ 1.85)		\$ 0.61		(\$ 3.05)	
9720 Predecessor interests under common control		-		-		-		-	
9750 Total basic earnings per share (loss)		<u>\$ 0.12</u>		<u>(\$ 1.85)</u>		<u>\$ 0.61</u>		<u>(\$ 3.05)</u>	
Diluted earnings per share (loss)	6(34)								
9810 Parent Company		\$ 0.12		(\$ 1.85)		\$ 0.61		(\$ 3.05)	
9820 Predecessor interests under common control		-		-		-		-	
9850 Total diluted earnings per share (loss)		<u>\$ 0.12</u>		<u>(\$ 1.85)</u>		<u>\$ 0.61</u>		<u>(\$ 3.05)</u>	

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

Chairman: Chun-Kuang Tu

Manager: Lidon Chen

Accounting Officer: Chao-Hui Juan

Taiwan Mask Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to June 30, 2026 and 2025

Unit: NT\$ Thousand

		Equity attributable to shareholders of the parent company											
		Retained earnings					Other equity interests		Predecessor interests under common control	Non-controlling Interests	Total Equity		
		Notes	Capital stock	Capital surplus	Legal reserve	Unappropriated earnings	Financial statement translation differences of foreign operations	Unrealized gain (loss) on investments on financial assets at fair value through other comprehensive income				Treasury stock	Total
<u>January 1 to June 30, 2025</u>													
			\$ 2,564,562	\$ 1,532,041	\$ 863,958	\$ 581,828	\$ 22,814	(\$ 2,666)	(\$ 1,167,369)	\$ 4,395,168	\$ -	(\$ 323,260)	\$ 4,071,908
			-	-	-	(652,717)	-	-	-	(652,717)	-	(172,155)	(824,872)
	6(25)		-	-	-	-	(51,792)	391	-	(51,401)	-	-	(51,401)
			-	-	-	(652,717)	(51,792)	391	-	(704,118)	-	(172,155)	(876,273)
	4(3) and 6(23)		-	97,085	-	-	-	-	-	97,085	-	13,106	110,191
	6(23)		-	(6,673)	-	-	-	-	-	(6,673)	-	-	(6,673)
	4(3)		-	-	-	(583,316)	-	-	-	(583,316)	-	583,316	-
			\$ 2,564,562	\$ 1,622,453	\$ 863,958	(\$ 654,205)	(\$ 28,978)	(\$ 2,275)	(\$ 1,167,369)	\$ 3,198,146	\$ -	\$ 101,007	\$ 3,299,153
<u>January 1 to June 30, 2026</u>													
			\$ 3,168,492	\$ 2,305,149	\$ 863,958	(\$ 1,184,883)	\$ 20,671	(\$ 2,275)	(\$ 891,759)	\$ 4,279,353	\$ 7,068	\$ 66,792	\$ 4,353,213
			-	-	-	188,945	-	-	-	188,945	(1,141)	(2,485)	185,319
	6(25)		-	-	-	-	19,586	-	-	19,586	-	-	19,586
			-	-	-	188,945	19,586	-	-	208,531	(1,141)	(2,485)	204,905
	6(22)(23)		500,000	1,094,490	-	-	-	-	-	1,594,490	-	-	1,594,490
	4(3) and 6(23)		-	37,697	-	-	-	-	-	37,697	-	(37,697)	-
	4(3) and 6(23)		-	19,462	-	-	-	-	-	19,462	-	(19,462)	-
	4(3)		-	-	-	(37,465)	-	-	-	(37,465)	-	37,465	-
	6(7)(23)		-	51,812	-	-	-	-	-	51,812	-	-	51,812
			-	-	-	-	-	-	-	-	-	70,177	70,177
	6(21)		-	-	-	-	-	-	-	-	73	-	73
	6(35)		-	-	-	-	-	-	-	-	(6,000)	-	(6,000)
			\$ 3,668,492	\$ 3,508,610	\$ 863,958	(\$ 1,033,403)	\$ 40,257	(\$ 2,275)	(\$ 891,759)	\$ 6,153,880	\$ -	\$ 114,790	\$ 6,268,670

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

Chairman: Chun-Kuang Tu

Manager: Lidon Chen

Accounting Officer: Chao-Hui Juan

Taiwan Mask Corporation and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT\$ Thousand

	Notes	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Cash Flow from Operating Activities</u>			
Net income before tax (loss)		\$ 212,637	(\$ 816,223)
Adjustments to Reconcile Net Income to Net Cash Flow from Operating Activities			
Revenues and Expenses			
Depreciation	6(8) (9) (11) (31)	759,286	726,728
Amortization	6(12) (31)	18,480	38,958
Expected loss on credit impairment	12(2)	5,892	6,585
Interest income	6(27)	(6,736)	(7,919)
Interest Expenses	6(30)	132,418	159,997
Net (profit) loss of financial assets and liabilities at fair value through profit or loss	6(2)(29)	(208,254)	401,005
Gain (loss) on disposal of investments	6(7)(29)	-	(49,191)
Dividend income	6(28)	(86,518)	-
Share-based payment transaction	6(21)	73	-
Share of losses of affiliated companies recognized under the equity method	6(7)	17,526	30,743
Loss (gain) on disposal of property, plant and equipment	6(29)	762	(30,032)
Gain on lease modifications	6(9)(29)	-	(32)
Goodwill impairment loss	6(12)(15)(29)	-	23,666
The Changes of Assets/ Liabilities related to Operating Activities			
Net Changes of Assets related to Operating Activities			
Mandatory financial assets at fair value through profit or loss		153,235	767,910
Contract Assets		12,709	30,542
Notes Receivables	(	6,601)	(11,525)
Accounts Receivables	(	127,415)	331,255
Accounts Receivables – Related Parties		1,640	2,311
Other Receivables		13,461	11,021
Other Receivables – Related Parties	(	469)	(718)
Inventories	(	19,661)	33,398
Prepayments		20,043	(1,528)
Other Current Assets		1,010	7,075
Other Non-Current Assets	(	6,081)	893
Net Changes of Liabilities related to Operating Activities		185,885	69,342
Contract Liabilities		-	1,412
Notes Payable		-	-
Accounts Payable	(	37,003)	(162,598)
Other Payables	(	158,349)	267,738
Other Payables- related Parties		292	-
Provisions	(	1,308)	2,392
Refund Liabilities		57,669	-
Other Current Liabilities	(	11,854)	(13,249)
Defined Benefit Liabilities	(	123)	(3,412)
Net Cash In-Flow from Operating		922,646	1,816,544
Interest Received		6,736	7,919
Interest Paid	(	116,328)	(132,826)
Income Tax Paid	(	21,899)	(9,419)
Net Cash In-Flow (Out-Flow) from Operating Activities		791,155	1,682,218

(Continued)

Taiwan Mask Corporation and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2026 and 2025

Unit: NT\$ Thousand

	Notes	January 1 to June 30, 2026	January 1 to June 30, 2025
<u>Cash Flow from Investment Activities</u>			
Acquisition of financial assets at fair value through other comprehensive profit and loss	6(3)	(\$ 45,000)	\$ -
Increase in financial assets measured at amortized cost	6(4)	(268,339)	(48,878)
Decrease in financial assets measured at amortized cost	6(4)	4,535	61,900
Acquisition of investment property by the Equity Method	6(7)	(10,000)	-
Proceeds from Disposal of Investments Accounted for Under the Equity Method	6(7)	-	60,616
Advance receipts for non-current assets held for sale	6(14)	560,000	-
Acquisition of Property, Plants and Equipment	6(8)(36)	(296,371)	(958,714)
Proceeds from Disposal of Property, Plant and Equipment	6(8)	1,933	95,176
Acquisition of Intangible Assets	6(12)	(3,359)	(117)
Increase in refundable deposit		(9,271)	(10,878)
Decrease of Guarantee Deposits		15,875	27,908
Net Cash Outflow from Investing Activities		(49,997)	(772,987)
<u>Cash Flows from Financing Activities</u>			
Increase of Short Term Loan	6(37)	2,316,544	3,739,745
Redemption of Short Term Loan	6(37)	(2,766,989)	(5,144,131)
Increase of Long Term Loan	6(37)	369,465	818,500
Redemption of Long Term Loan	6(37)	(1,653,832)	(836,332)
Issuance of financial liabilities designated as at fair value through profit or loss - convertible corporate bonds	6(2)	30,000	-
Redemption of Lease Principal	6(37)	(22,316)	(21,791)
Increase in Guarantee Deposits Received	6(37)	12,875	31
Decrease of Guarantee Deposits Received	6(37)	-	(33,890)
Cash increase of non-controlling equity in Subsidiaries	4(3)	70,177	109,796
Cash capital increase	6(22)(23)	1,594,490	-
Consideration for acquisition of predecessor interests under common control	6(35)	(6,000)	-
Net Cash Outflow from Funding Activities		(55,586)	(1,368,072)
Adjustments of Exchange Rate		8,405	(36,178)
Net increase (decrease) in cash and cash equivalents		693,977	(495,019)
Beginning Balance of Cash and Cash Equivalents	6(1)	862,276	1,430,542
Ending Balance of Cash and Cash Equivalents	6(1)	\$ 1,556,253	\$ 935,523

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

Chairman: Chun-Kuang Tu

Manager: Lidon Chen

Accounting Officer: Chao-Hui Juan

Taiwan Mask Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
Q2 2026 and 2025

Unit: NT\$ Thousand
(Unless otherwise specified)

I. Company History

Taiwan Mask Corporation (hereinafter referred to as the "Company") was established on October 21, 1988, and started its operations in March 1989. The Company was approved by the shareholders meeting on June 12, 2000 to acquire Shin-Tai Technology Co., Ltd., on the merger record date of December 1, 2000, with the Company being the surviving entity. The Company and its subsidiary (collectively referred to as the "Group") mainly engage in the research, development, manufacturing and sales of photomask and integrated circuits, providing technical assistance, consultation, inspection and repair of the abovementioned products, and manufacturing and buying and selling of medical equipment. LUMINOUS RISE INVESTMENT CO., LTD. holds a 17.27% equity interest in the Company, and the ultimate parent company of the Group is Star Fusion Group Co., Ltd. (formerly Softstar Entertainment Inc.).

II. Date and procedures for passing the financial statement

The consolidated financial statements were reported to the Board of Directors and issued on August 11, 2026.

III. Application of New and Revised International Financial Reporting Standards

(I) The impact from adopting the newly released and revised IFRS and IAS recognized and issued into effect by the Financial Supervisory Commission (FSC).

The following table summarizes the applicable newly released, revised and amended standards and interpretations of the IFRS and IAS recognized and issued into effect by the Financial Supervisory Commission in 2026:

Newly released/corrected/amended standards and interpretations	Effective Date Issued by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7, "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
IFRS 17 - Insurance contracts	January 1, 2023
Amendment to IFRS 17 - Insurance contracts	January 1, 2023
Amendments to IFRS 17 "First-time Adoption of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance.

(II) Impact of the newly released and amended IFRS and IAS recognized by the FSC not yet adopted by the Company.

The following table summarizes the applicable newly released, revised and amended standards and interpretations of the IFRS and IAS recognized by the Financial Supervisory Commission in 2027:

Newly released/corrected/amended standards and interpretations	Effective Date Issued by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	June 1, 2027 (Note 1)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027
Amendments to IAS 21, “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027
Amendments to IAS 28, “Amendments to the Fair Value Option for Investments in Associates and Joint Ventures”	January 1, 2027 (Note 2)
Note 1: Entities shall apply International Financial Reporting Standard 18 (hereinafter referred to as IFRS 18) from January 1, 2028, with early application permitted.	
Note 2: Entities shall apply this standard concurrently with IFRS 18.	

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance, except for the following:

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1, updates the structure of comprehensive income statement, requires the disclosure of management-defined performance measures, and enhances the principles for grouping and classifying information for main financial statements and notes.

(III) IFRS and IAS issued by the IASB but not yet recognized by the FSC.

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the IFRS and IAS issued by the IASB but not yet recognized by the FSC:

Newly released/corrected/amended standards and interpretations	Effective Date Issued by IASB
IFRS 10 and IAS 28 amendments, Sale or contribution of assets between an investor and its associate or joint venture	To be determined by the IASB
International Financial Reporting Standard 20, “Regulatory Assets and Regulatory Liabilities”	January 1, 2029

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance.

IV. Summary of Significant Accounting Policies

Significant accounting policies are the same as those in Note 4 of the 2025 consolidated financial statements, except for the statement of compliance, basis of preparation, basis of consolidation, and newly added items described below. These policies have been consistently applied to all the periods

presented, unless otherwise stated.

(I) Compliance statement

1. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the IAS No. 34, “Interim Financial Reporting” as endorsed by the FSC.
2. The consolidated financial statements should be read in conjunction with the 2025 consolidated financial statements.

(II) Basis of Preparation

1. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention.
 - (1) Financial assets and financial liabilities at fair value through profit or loss (including derivatives).
 - (2) Financial Assets at Fair Value Through Other Comprehensive Income.
 - (3) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with IFRS, IAS, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis of consolidation

1. The basis for preparation of consolidated financial statements
The principles for preparing the consolidated financial statements are the same as those for the 2025 consolidated financial statements.
2. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership (%)			Explanation
			June 30, 2026	December 31, 2025	June 30, 2025	
Taiwan Mask Corporation	SunnyLake Park International Holding, Inc.	Investment company	100	100	100	Note 12
Taiwan Mask Corporation	Goke Holdings Co., Ltd.	Investment company	100	100	100	Note 5
Taiwan Mask Corporation	Miracle Technology CO., LTD.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership (%)			Explanation
			June 30, 2026	December 31, 2025	June 30, 2025	
Taiwan Mask Corporation	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	45.55	53.11	66.71	Note 3, Note 12
Taiwan Mask Corporation	One Test Systems	Research, development and design of test equipment and related components	100	100	100	Note 12
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Battery manufacturing industry	20.00	20.00	20.00	Note 12
Taiwan Mask Corporation	Magpie Energy Co., Ltd.	Energy technical services	20.00	20.00	-	Note 7, Note 13
Taiwan Mask Corporation	Taiwan Laser Welding Technology Corporation	Laser welding of thick steel plates	100	100	-	Note 6, Note 13
Goke Holdings Co., Ltd.	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	4.57	0.11	0.13	Note 3, Note 12
Goke Holdings Co., Ltd.	Aptos Technology INC.	Design, packaging and testing of NAND flash memory, solid state drives and the related products	47.19	47.19	47.19	Note 2, Note 4, Note 12
Goke Holdings Co., Ltd.	Xsense Technology Corporation	Investment company	100	100	100	Note 12
Goke Holdings Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Precious metal coating	53.00	53.00	53.00	Note 12
Goke Holdings Co., Ltd.	Digital-Can Tech. Co., Ltd.	3D Printing and Plastic Mold Design	49.57	57.39	57.39	Note 8, Note 12
Goke Holdings Co., Ltd.	Pilot Energy Co., Ltd.	Battery manufacturing industry	53.73	38.89	38.89	Note 7, Note 10 and Note 12
Goke Holdings Co., Ltd.	Magpie Energy Co., Ltd.	Energy technical services	23.60	38.89	-	Note 7, Note 11 and Note 13
Goke Holdings Co., Ltd.	Moment Semiconductor, Inc.	Retail and wholesale of memory products	-	-	52.84	Note 1, Note 12

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership (%)			Explanation
			June 30, 2026	December 31, 2025	June 30, 2025	
Aptos Technology INC.	New Sunrise Limited	Investment company	100	100	100	Note 12
Pilot Energy Co., Ltd.	ADL Energy Corp	Renewable energy self-use power generation equipment industry	100	100	100	Note 12
ADL Energy Corp	Aptos Global Holding Corp.	Investment company	100	100	100	Note 12
Miracle Technology CO., LTD.	Jing Hao Investment Co., Ltd.	Investment company	100	100	100	Note 12
Miracle Technology CO., LTD.	Miracle International Enterprise(Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 12
Jing Hao Investment Co., Ltd.	Miko-China Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 12
Jing Hao Investment Co., Ltd.	MIKO Technology Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 12
Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	79.17	79.17	79.17	Note 12
Miracle International Enterprise(Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	20.83	20.83	20.83	Note 12
Innova Vision INC.	LUMAPURE CO., LTD.	Medical equipment retail and wholesale	100	-	-	Note 9, Note 13
Innova Vision INC.	Innova Technology	Medical equipment retail and wholesale	100	100	100	Note 12

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership (%)			Explanation
			June 30, 2026	December 31, 2025	June 30, 2025	
Innova Vision INC.	Innova Vision (B.V.I.) Inc.	Investment company	100	100	100	Note 12
Innova Vision INC.	iPro Vision Inc.	Medical equipment retail and wholesale	52.03	52.03	52.03	Note 12
Innova Vision (B.V.I.) Inc.	iPro Vision Inc.	Medical equipment retail and wholesale	47.97	47.97	47.97	Note 12

Note 1: In October 2025, Moment Semiconductor, Inc. carried out a cash capital increase through the issuance of new shares. Goke Holdings Co., Ltd. did not participate in the capital increase, resulting in a decrease in its shareholding ratio from 52.84% to 25.27% and a loss of substantive control over the company. Accordingly, it has been excluded from the consolidated entities since October 2025.

Note 2: The Company's subsidiary, Goke Holdings Co., Ltd., which holds a majority of the Board of Directors of the company, has substantial control over the company and therefore included the company in the consolidated financial statements as a consolidated entity.

Note 3: Before the capital increases, the Company and its subsidiary, Goke Holdings Co., Ltd., held shareholding ratios of 75.32% and 0.19%, respectively. Innova Vision Inc. carried out cash capital increases through the issuance of new shares in January and November 2025 in the amounts of NT\$200,000 and NT\$89,880, respectively. Although the Company and its subsidiary, Goke Holdings Co., Ltd., participated in the subscriptions, they did not subscribe in proportion to their shareholding ratios, resulting in a decrease in their shareholding ratios from 75.32% and 0.19% to 53.11% and 0.11%, respectively, and capital surplus of NT\$113,502 was recognized. Innova Vision Inc. carried out cash capital increases through the issuance of new shares in January and March 2026 in the amounts of NT\$48,370 and NT\$24,809, respectively. The Company did not participate in the capital increases, resulting in a decrease in its shareholding ratio from 53.11% to 45.55%. Although the Company's subsidiary, Goke Holdings Co., Ltd., participated in the subscriptions, it did not subscribe in proportion to its shareholding ratio, resulting in an increase in its shareholding ratio from 0.11% to 4.57%, and capital surplus of NT\$34,996 was recognized in total.

Note 4: In June 2025, Aptos Technology INC. resolved to dissolve the company at its shareholders' meeting and filed a petition for bankruptcy with the court in the same month. As of the issuance date of these consolidated financial statements, the liquidation process has not yet been completed.

Note 5: Formerly named You-Yuan Investment Co., Ltd., it was renamed Goke Holdings Co., Ltd. in August 2025.

Note 6: In October 2025, the Company established its subsidiary, Taiwan Laser Welding

Technology Corporation, by contributing steel structure business equipment with an appraised value of NT\$270,000 as capital.

Note 7: In November 2025, the Company's subsidiary, Pilot Energy Co., Ltd., carried out a spin-off of its hydrogen energy business to establish a fellow subsidiary, Magpie Energy Co., Ltd.

Note 8: In January 2026, Digital-Can Tech. Co., Ltd. carried out a cash capital increase through the issuance of new shares in the amount of NT\$20,000. Goke Holdings Co., Ltd. did not participate in the capital increase, resulting in a decrease in its shareholding ratio from 57.39% to 49.57%, and capital surplus of NT\$2,701 was recognized.

Note 9: In February 2026, Innova Vision Inc., a subsidiary of the Company, acquired 100% equity interests in LUMAPURE CO., LTD., a group company under common control. With reference to the provisions of the IFRS Q&A issued by the Accounting Research and Development Foundation, the aforementioned transactions were organizational restructurings under common control and were deemed to have been acquired through consolidation from the date of control. Accordingly, the comparative financial reports for prior periods were retrospectively restated. Please refer to Note 6 (35) for details.

Note 10: In April 2026, the Company's subsidiary, Goke Holdings Co., Ltd., entered into a Share Transfer Confirmation with another related party, Ontario Capital Co., Ltd., to acquire 2,507,778 common shares of Pilot Energy Co., Ltd. at NT\$5 per share, increasing its ownership interest from 38.89% to 53.73%, and recognized capital surplus of NT\$41,212.

Note 11: In April 2026, the Company's subsidiary, Goke Holdings Co., Ltd., entered into a Share Transfer Confirmation with another related party, Ontario Capital Co., Ltd., to dispose of 1,253,889 common shares of Magpie Energy Co., Ltd. at NT\$10 per share, decreasing its ownership interest from 38.89% to 23.60%, and recognized capital surplus of (NT\$21,750). Following the share transfer, the Group's ownership interest in Magpie Energy Co., Ltd. decreased from 58.89% to 43.6%. The Group also obtained a letter of undertaking from another related party, Ontario Capital Co., Ltd., under which it undertook to cooperate with the directors appointed by the Group in making decisions on operational transition matters during the operational transition period. Therefore, the Group continues to have substantive control during the operational transition period.

Note 12: As it does not meet the definition of a significant subsidiary, its financial statements as of June 30, 2026 and 2025 were not reviewed by the independent auditors.

Note 13: As it does not meet the definition of a significant subsidiary, its financial statements as of June 30, 2026 were not reviewed by the independent auditors.

3. Subsidiaries not included in the consolidated financial statement: None.

4. Adjustments for subsidiaries with different balance sheet dates: None.

5. Significant restrictions: None.

6. Subsidiaries that have non-controlling interests that are material to the Corporate Group:

The total non-controlling interests of the Group as of June 30, 2026, December 31 and June 30, 2025 were NT\$114,790, NT\$66,792, and NT\$101,007, respectively. The following

information shows subsidiaries that have non-controlling interests that are material to the Group:

		Non-controlling Interests				
		June 30, 2026		December 31, 2025		
Name of Subsidiary	Main location of business	Amount	Ownership percentage	Amount	Ownership percentage	Explanation
Aptos Technology and its subsidiaries	Taiwan	(\$ 15,818)	52.81%	(\$ 33,920)	52.81%	
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	(94,878)	47.00%	(109,627)	47.00%	
Digital-Can Tech. Co., Ltd.	Taiwan	108,849	50.43%	56,376	42.61%	
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan	52,343	26.27%	90,037	41.11%	

		Non-controlling Interests		
		June 30, 2025		
Name of Subsidiary	Main location of business	Amount	Ownership percentage	Explanation
Aptos Technology and its subsidiaries	Taiwan	(\$ 71,559)	52.81%	
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	(57,314)	47.00%	
Digital-Can Tech. Co., Ltd.	Taiwan	58,512	42.61%	
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan	179,526	41.11%	

Aggregate financial information of subsidiaries:

Balance Sheet

	Aptos Technology and its subsidiaries		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 25,242	\$ 20,566	\$ 20,959
Non-Current Assets	8,892	8,892	11,612
Current liabilities	(386,072)	(386,072)	(726,279)
Non-current liabilities	(61)	(61)	(61)
Total net assets	<u>(\$ 351,999)</u>	<u>(\$ 356,675)</u>	<u>(\$ 693,769)</u>
	Xsense Technology Corporation (B.V.I.) Taiwan Branch		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 26,309	\$ 57,794	\$ 167,982
Non-Current Assets	43,548	56,271	189,626
Current liabilities	(774,634)	(790,992)	(703,483)
Non-current liabilities	-	(12,775)	(127,873)
Total net assets	<u>(\$ 704,777)</u>	<u>(\$ 689,702)</u>	<u>(\$ 473,748)</u>
	Digital-Can Tech. Co., Ltd.		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 182,357	\$ 115,407	\$ 120,354
Non-Current Assets	46,445	45,653	36,071
Current liabilities	(45,147)	(66,764)	(56,029)
Non-current liabilities	(4,107)	(1,993)	(6,876)
Total net assets	<u>\$ 179,548</u>	<u>\$ 92,303</u>	<u>\$ 93,520</u>
	Pilot Energy Co., Ltd. and its subsidiaries		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 127,282	\$ 123,540	\$ 217,015
Non-Current Assets	226,155	234,598	427,465
Current liabilities	(178,203)	(158,042)	(178,295)
Non-current liabilities	(90,283)	(110,285)	(194,140)
Total net assets	<u>\$ 84,951</u>	<u>\$ 89,811</u>	<u>\$ 272,045</u>

Statement of Comprehensive Income

	Aptos Technology and its subsidiaries	
	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue	\$ -	\$ 69,329
Net loss before taxes	-	(59,371)
Income tax benefits	-	-
Net loss of current period from continuing operations	-	(59,371)
Net loss	-	(59,371)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	\$ -	(\$ 59,371)

	Aptos Technology and its subsidiaries	
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue	\$ -	\$ 130,653
Profit (loss) before income tax	4,676	(72,190)
Income tax benefits	-	-
Net income (loss) of this period from continuing operations	4,676	(72,190)
Profit (loss) for the year	4,676	(72,190)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	\$ 4,676	(\$ 72,190)

	Xsense Technology Corporation (B.V.I.) Taiwan Branch	
	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue	(\$ 2,370)	\$ 72,312
Net loss before taxes	(10,151)	(49,053)
Income tax benefits	-	-
Net loss of current period from continuing operations	(10,151)	(49,053)
Net loss	(10,151)	(49,053)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 10,151)	(\$ 49,053)

Xsense Technology Corporation (B.V.I.) Taiwan Branch		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue	\$ 3,711	\$ 147,000
Net loss before taxes	(15,074)	(125,537)
Income tax benefits	-	-
Net loss of current period from continuing operations	(15,074)	(125,537)
Net loss	(15,074)	(125,537)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 15,074)	(\$ 125,537)

Digital-Can Tech. Co., Ltd.		
	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue	\$ 81,822	\$ 8,541
Profit (loss) before income tax	29,672	(4,989)
Income tax benefits	(8,096)	-
Net income (loss) of this period from continuing operations	21,576	(4,989)
Profit (loss) for the year	21,576	(4,989)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	\$ 21,576	(\$ 4,989)

Digital-Can Tech. Co., Ltd.		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue	\$ 152,861	\$ 28,252
Profit (loss) before income tax	75,341	(6,951)
Income tax benefits	(8,096)	-
Net income (loss) of this period from continuing operations	67,245	(6,951)
Profit (loss) for the year	67,245	(6,951)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	\$ 67,245	(\$ 6,951)

Pilot Energy Co., Ltd. and its subsidiaries		
	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue	\$ 40,859	\$ 65,881
Net loss before taxes	(12,052)	(14,396)
Income tax benefits	-	-
Net loss of current period from continuing operations	(12,052)	(14,396)
Net loss	(12,052)	(14,396)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 12,052)	(\$ 14,396)

Pilot Energy Co., Ltd. and its subsidiaries		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue	\$ 95,610	\$ 94,462
Net loss before taxes	(15,110)	(34,490)
Income tax benefits	-	-
Net loss of current period from continuing operations	(15,110)	(34,490)
Net loss	(15,110)	(34,490)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 15,110)	(\$ 34,490)

Statements of Cash Flows

Aptos Technology and its subsidiaries		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Net Cash In-Flow (Out-Flow) from Operating Activities	\$ 4,676	\$ 190,836
Net Cash In-Flow from Investing Activities	-	8,487
Net Cash Outflow from Funding Activities	-	(196,221)
Increase (Decrease) of Cash and Cash Equivalents	4,676	3,102
Beginning Balance of Cash and Cash Equivalents	18,452	11,282
Ending Balance of Cash and Cash Equivalents	\$ 23,128	\$ 14,384

Xsense Technology Corporation (B.V.I.) Taiwan Branch		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Net Cash In-Flow (Out-Flow) from Operating Activities	\$ 4,140	\$ 23,092
Net Cash In-Flow from Investing Activities	5,433	15,523
Net Cash Outflow from Funding Activities	(20,422)	(98,989)
Increase (Decrease) in Cash and Cash Equivalents	(10,849)	(60,374)
Beginning Balance of Cash and Cash Equivalents	11,814	65,060
Ending Balance of Cash and Cash Equivalents	<u>\$ 965</u>	<u>\$ 4,686</u>
Digital-Can Tech. Co., Ltd.		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Net Cash In-Flow (Out-Flow) from Operating Activities	\$ 87,308	\$ 48,924
Net Cash Outflow from Investing Activities	(16,288)	(869)
Net Cash Outflow from Funding Activities	(5,996)	(9,441)
Increase (Decrease) of Cash and Cash Equivalents	65,024	38,614
Beginning Balance of Cash and Cash Equivalents	72,664	52,838
Ending Balance of Cash and Cash Equivalents	<u>\$ 137,688</u>	<u>\$ 91,452</u>
Pilot Energy Co., Ltd. and its subsidiaries		
	January 1 to June 30, 2026	January 1 to June 30, 2025
Net cash outflow from operating activities	(\$ 31,838)	(\$ 19,553)
Cash Inflow (Outflow) from Investing Activities	314	(90,805)
Net Cash In-Flow (Out-Flow) from Funding Activities	23,659	69,618
Increase (Decrease) in Cash and Cash Equivalents	(7,865)	(40,740)
Beginning Balance of Cash and Cash Equivalents	16,949	59,897
Ending Balance of Cash and Cash Equivalents	<u>\$ 9,084</u>	<u>\$ 19,157</u>

After evaluating the operating conditions of its subsidiaries, Aptos Technology Inc. and Xsense Technology Corporation (B.V.I.) Taiwan Branch, and the recoverability of receivables due from these companies for the six months ended June 30, 2026 and 2025, respectively, the Group recognized impairment losses of NT\$37,465 and NT\$583,316, respectively, and adjusted retained earnings and non-controlling interests accordingly.

(IV) Employee benefits

Pensions

Defined benefit plans

The calculation of pension cost during the interim period adopts the pension cost rate determined by actuarial calculations at the end of the previous financial year, and is based on the beginning of the year to the end of the current period. If there are major market changes and major reductions, liquidation or other major one-off events after the end date, adjustments shall be made and relevant information shall be disclosed in accordance with the abovementioned policies.

(V) Income tax

Income tax expenses of the interim period are calculated based on the estimated annual average effective tax rate applied to the pre-tax profit and loss of the interim period, and the relevant information shall be disclosed in accordance with the aforementioned policies.

(VI) Organizational restructuring under common control

1. For the organizational restructuring, pursuant to the explanation in the IFRS Q&A, "Accounting Treatment for Business Combinations under Common Control", issued by the Accounting Research and Development Foundation on October 26, 2018, because IFRS 3, "Business Combinations", does not provide explicit requirements for business combinations under common control, the relevant interpretations issued in Taiwan shall continue to apply. Accordingly, the book value method is adopted, the entities are deemed to have been consolidated from the beginning, and the financial statements for prior periods are restated.
2. If the acquisition is made in cash, the difference between the consideration for the combination and the net assets acquired shall be adjusted against capital surplus arising from share premium. If capital surplus is required to be reduced but the recorded capital surplus is insufficient, retained earnings shall be reduced.
3. In addition, pursuant to Interpretation Letter Ji-Mi-Zi No. 301 issued by the Accounting Research and Development Foundation in 2012, when the Group prepares comparative balance sheets, the equity interests originally held by shareholders under common control shall be attributed to "predecessor interests under common control"; when the Group prepares comparative statements of income, the share attributable to the shareholders originally under common control shall be attributed to "net profit (loss) of predecessor interests under common control."

V. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

There are no major changes. Please refer to Note 5 of the 2025 consolidated financial statements.

VI. Summary of Significant Accounting Items

(I) Cash and Cash Equivalents

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Cash on hand	\$ 23,472	\$ 32,219	\$ 500
Checking accounts and demand deposits	1,532,781	830,057	935,023
Total	<u>\$ 1,556,253</u>	<u>\$ 862,276</u>	<u>\$ 935,523</u>

1. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group has no cash and cash and cash equivalents pledged to others.

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

Items	June 30, 2026	December 31, 2025	June 30, 2025
Current items:			
Mandatory financial assets at fair value through profit or loss			
Shares of listed and OTC company	<u>\$ 1,571,736</u>	<u>\$ 1,762,276</u>	<u>\$ 1,955,622</u>
Financial liabilities mandatorily measured at fair value through profit or loss			
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 30,694)</u>
Financial liabilities designated as at fair value through profit or loss			
Convertible bonds	<u>(\$ 55,000)</u>	<u>(\$ 25,000)</u>	<u>\$ -</u>
Non-current items:			
Mandatory financial assets at fair value through profit or loss			
Shares of listed and OTC company	\$ 309,164	\$ 37,400	\$ 63,330
Shares of non-listed and non-OTC company	22,512	44,321	19,637
Limited partnership	115,906	120,302	120,302
	<u>\$ 447,582</u>	<u>\$ 202,023</u>	<u>\$ 203,269</u>

1. Details of financial assets/liabilities at fair value through profit or loss recognized in profit or loss are as follows:

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Financial assets mandatorily measured at fair value through profit or loss		
Shares of listed and OTC company	\$ 17,022	(\$ 244,315)
Convertible bond call/put options	-	(2,954)
Shares of non-listed and non-OTC company	<u>-</u>	<u>-</u>
	<u>\$ 17,022</u>	<u>(\$ 247,269)</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Financial assets mandatorily measured at fair value through profit or loss		
Shares of listed and OTC company	\$ 202,506	(\$ 389,515)
Convertible bond call/put options	-	(11,490)
Shares of non-listed and non-OTC company	<u>5,748</u>	<u>-</u>
	<u>\$ 208,254</u>	<u>(\$ 401,005)</u>

2. Please see Note 8 on how the Group provides financial assets at fair value through profit or loss as a pledged collateral.
3. As of June 30, 2026 and December 31, 2025, the Group recorded NT\$55,000 and NT\$25,000, respectively, under “financial liabilities designated at fair value through profit or loss upon initial recognition”, which represents the convertible corporate bonds issued by the Group’s subsidiary, Innova Vision Inc. (hereinafter referred to as “Innova Vision”). As these convertible corporate bonds are hybrid instruments, Innova Vision designated the entire convertible corporate bonds payable balance as financial liabilities at fair value through profit or loss upon initial recognition.
4. The issuance terms of Innova Vision’s first domestic secured convertible corporate bonds issued in 2025 are as follows:
 - (1) Innova Vision issued its first domestic secured convertible corporate bonds with a total issue amount of NT\$75,000, a coupon rate of 2.7%, and a term of five years, issued in tranches. The outstanding period of the first tranche is from December 18, 2025 to December 18, 2030, and the outstanding period of the second tranche is from January 27, 2026 to December 18, 2030. Upon maturity, the convertible corporate bonds will be redeemed in cash in a lump sum at the face value of the bonds plus any accrued and unpaid interest.
 - (2) Unless otherwise prohibited during the periods specified below, the holders of these

convertible corporate bonds may, at any time from the day following the expiration of one month after the issuance date of the bonds until the maturity date, request Innova Vision to convert the bonds into ordinary shares of Innova Vision: (1) during the book closure period for Innova Vision's stock dividends, cash dividends, or subscription to new shares for cash capital increase; (2) during the book closure period as of the capital reduction record date for any capital reduction; and (3) during any other period in which transfer registration of Innova Vision's ordinary shares is suspended in accordance with applicable laws. The rights and obligations of the ordinary shares issued upon conversion shall be the same as those of the ordinary shares already issued by Innova Vision.

- (3) The conversion price of these convertible corporate bonds is determined in accordance with the pricing model set forth in the conversion terms. Thereafter, if Innova Vision becomes subject to the anti-dilution provisions, the conversion price shall be adjusted in accordance with the pricing model set forth in the conversion terms. In addition, on the base date specified in the conversion terms, the conversion price shall be reset in accordance with the pricing model set forth therein. As of June 30, 2026, the conversion price was NT\$10 per share.
- (4) From the date falling three years after the issuance of these convertible corporate bonds until 30 days prior to the expiration of the issuance period, Innova Vision may, by giving 30 days' prior written notice to the bondholders, redeem these bonds early in cash in accordance with the relevant provisions; provided, however, that the bondholders may still request conversion into ordinary shares of Innova Vision before the redemption date specified in the aforementioned notice.
- (5) In accordance with the conversion terms, all of these convertible corporate bonds that have been redeemed or converted by Innova Vision shall be canceled and may not be resold or reissued, and the conversion rights attached thereto shall be extinguished accordingly.

(III) Financial assets at fair value through other comprehensive profit and loss

<u>Items</u>	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Non-current items:			
Financial assets at fair value through other comprehensive profit and loss			
Shares of non-listed and non-OTC company	<u>\$ 45,000</u>	<u>\$ -</u>	<u>\$ -</u>

The Group classifies shares of unlisted companies that are held as long-term strategic investments and not for trading purposes as financial assets at fair value through other comprehensive income.

(IV) Financial assets measured at amortized cost

<u>Items</u>	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Current items:			
Demand Deposit	\$ 102,118	\$ 123,949	\$ 154,352
Time deposits	<u>1,001,996</u>	<u>681,296</u>	<u>59,528</u>
	<u>\$ 1,104,114</u>	<u>\$ 805,245</u>	<u>\$ 213,880</u>
Non-current items:			
Demand Deposit	\$ 382,810	\$ 382,810	\$ 382,809
Time deposits	<u>39,260</u>	<u>63,814</u>	<u>263,910</u>
	<u>\$ 422,070</u>	<u>\$ 446,624</u>	<u>\$ 646,719</u>

1. Financial assets at amortized cost is recognized in the profit or loss shown as follows:

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Interest income	<u>\$ 2,043</u>	<u>\$ 2,731</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Interest income	<u>\$ 3,543</u>	<u>\$ 4,684</u>

2. While not considering other credit enhancements, the financial assets at amortized cost held by the Group had the maximum exposure of credit risk at NT\$1,526,184, NT\$1,251,869, and NT\$860,599 as of June 30, 2026, December 31 and June 30, 2025, respectively.
3. Please see Note VIII on how the Group provides financial assets at amortized cost as a pledged collateral.
4. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

(V) Notes and accounts receivable

	<u>June 30, 2026</u>	<u>December 31, 2025 (Restated)</u>	<u>June 30, 2025</u>
Notes Receivables	<u>\$ 27,442</u>	<u>\$ 20,841</u>	<u>\$ 11,692</u>
Accounts Receivables	\$ 1,137,117	\$ 1,008,852	\$ 1,140,289
Accounts Receivables — Related Parties	<u>1,611</u>	<u>3,251</u>	<u>72</u>
	1,138,728	1,012,103	1,140,361
Less: Loss allowance	<u>(97,386)</u>	<u>(90,644)</u>	<u>(110,750)</u>
	<u>\$ 1,041,342</u>	<u>\$ 921,459</u>	<u>\$ 1,029,611</u>

1. Aging of accounts receivable notes receivable is as follows:

	June 30, 2026		December 31, 2025 (Restated)	
	Accounts Receivables	Notes Receivables	Accounts Receivables	Notes Receivables
Not past due	\$ 920,517	\$ 27,442	\$ 815,807	\$ 20,841
Up to 30 days	93,794	-	80,177	-
31-90 days	16,359	-	20,330	-
91-180 days	4,825	-	8,559	-
More than 181 days past due	103,233	-	87,230	-
	<u>\$ 1,138,728</u>	<u>\$ 27,442</u>	<u>\$ 1,012,103</u>	<u>\$ 20,841</u>

	June 30, 2025	
	Accounts Receivables	Notes Receivables
Not past due	\$ 850,928	\$ 11,692
Up to 30 days	128,577	-
31-90 days	32,641	-
91-180 days	9,835	-
More than 181 days past due	118,380	-
	<u>\$ 1,140,361</u>	<u>\$ 11,692</u>

The above is an aging report based on the number of days past due.

2. As of June 30, 2026, December 31 and June 30, 2025, accounts receivable and notes receivable were all from contracts with customers. The balances of accounts receivable from contracts with customers as of January 1, 2025 was NT\$1,369,929.
3. While not considering other credit enhancements, the accounts receivable held by the Group had the maximum exposure of credit risk at NT\$1,068,784, NT\$942,300, and NT\$1,041,303, respectively, as of June 30, 2026, December 31 and June 30 of 2025.
4. Please refer to Note 12 (2) for the information on credit risk.

(VI) Inventories

	June 30, 2026		
		(Gain from reversal of) loss allowance on decline in market value of inventories	Book value
	Cost		
Raw materials	\$ 250,124	(\$ 48,840)	\$ 201,284
Work in process	139,059	(8,581)	130,478
Finished goods	131,483	(79,974)	51,509
Merchandise	115,512	(59,840)	55,672
Total	<u>\$ 636,178</u>	<u>(\$ 197,235)</u>	<u>\$ 438,943</u>

	December 31, 2025 (Restated)		
		(Gain from reversal of) loss allowance on decline in market value of inventories	Book value
	Cost		
Raw materials	\$ 219,989	(\$ 51,045)	\$ 168,944
Work in process	120,050	(20,475)	99,575
Finished goods	142,857	(70,928)	71,929
Merchandise	144,881	(66,047)	78,834
Total	<u>\$ 627,777</u>	<u>(\$ 208,495)</u>	<u>\$ 419,282</u>

	June 30, 2025		
		(Gain from reversal of) loss allowance on decline in market value of inventories	Book value
	Cost		
Raw materials	\$ 291,127	(\$ 39,918)	\$ 251,209
Work in process	118,525	(16,177)	102,348
Finished goods	199,798	(9,429)	190,369
Merchandise	170,087	(23,630)	146,457
Total	<u>\$ 779,537</u>	<u>(\$ 89,154)</u>	<u>\$ 690,383</u>

The cost of inventories recognized as losses by the Corporate Group.

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Cost of goods sold	\$ 1,296,305	\$ 1,482,308
Gains on reversal of inventory write-downs and obsolescence	(4,806)	(6,005)
Revenue from sales of leftovers	(1,234)	(916)
	<u>\$ 1,290,265</u>	<u>\$ 1,475,387</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Cost of goods sold	\$ 2,572,823	\$ 2,939,363
Gains on reversal of inventory write-downs and obsolescence	(11,260)	(16,495)
Revenue from sales of leftovers	(2,669)	(1,718)
	<u>\$ 2,558,894</u>	<u>\$ 2,921,150</u>

From April 1 to June 30, 2026 and 2025 and January 1 to June 30, 2026 and 2025, part of the inventory for which the provision for impairment losses had been made in the previous period was sold, resulting in a recovery in the net realizable value of the inventory, which was recognized as a decrease in operating costs.

(VII) Investment under Equity Method

	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Affiliates:			
Advagene Biopharma Co., Ltd.	\$ 61,631	\$ 30,760	\$ 38,030
Weida Hi-Tech Co., Ltd.	13,972	13,346	20,178
TrueLight Corporation	357,210	363,237	374,720
BKS Tec Corp.	12,644	-	6,652
Moment Semiconductor, Inc.	<u>22,605</u>	<u>15,753</u>	<u>-</u>
	<u>\$ 468,062</u>	<u>\$ 423,096</u>	<u>\$ 439,580</u>

1. Affiliates

(1) The basic information of the Group's material associates is as follows:

Name of Company	Main location of business	Shareholding percentage			Measurement method
		June 30, 2026	December 31, 2025	June 30, 2025	
TrueLight Corporation	Taiwan	12.11%	12.11%	12.11%	Equity method

- (2) The summarized financial information of the Group's material associates is as follows:
Balance Sheet

	TrueLight Corporation		
	June 30, 2026	December 31, 2025	June 30, 2025
Current assets	\$ 634,594	\$ 447,745	\$ 592,558
Non-Current Assets	680,103	663,359	662,762
Current liabilities	(420,728)	(230,685)	(200,892)
Non-current liabilities	(197,915)	(135,121)	(214,310)
Total net assets	<u>\$ 696,054</u>	<u>\$ 745,298</u>	<u>\$ 840,118</u>
Share of net assets of associates	\$ 84,232	\$ 90,259	\$ 101,742
Goodwill	<u>272,978</u>	<u>272,978</u>	<u>272,978</u>
Book value of associates	<u>\$ 357,210</u>	<u>\$ 363,237</u>	<u>\$ 374,720</u>

Statement of Comprehensive Income

	TrueLight Corporation	
	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue	\$ 189,247	\$ 285,591
Net loss of current period from continuing operations	(\$ 17,440)	(\$ 56,464)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 17,440)</u>	<u>(\$ 56,464)</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ -</u>

	TrueLight Corporation	
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue	\$ 369,797	\$ 355,278
Net loss of current period from continuing operations	(\$ 53,155)	(\$ 52,774)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 53,155)</u>	<u>(\$ 52,774)</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ -</u>

- (3) The book value and the share of operating results of each of the Group's insignificant affiliates are summarized as follows:

As of June 30, 2026, December 31 and June 30, 2025, the aggregate carrying amounts of the Group's individually insignificant associates were NT\$110,852, NT\$59,859, and

NT\$64,860, respectively.

	April 1 to June 30, 2026	April 1 to June 30, 2025
Total comprehensive income for the year	<u>(\$ 4,616)</u>	<u>(\$ 16,057)</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Total comprehensive income for the year	<u>(\$ 11,088)</u>	<u>(\$ 24,394)</u>

- (4) The Group's material associate, TrueLight Corporation, has a quoted market price, and its fair value as of June 30, 2026, December 31 and June 30, 2025 was NT\$1,721,250, NT\$644,625, and NT\$468,450, respectively.
- As of June 30, 2026, and December 31 and June 30, 2025, the Group held 17.29% and 28.20%, 20.20% and 28.20%, and 20.29% and 28.20% of the shares of Advagene Biopharma Co., Ltd. and Weida Hi-Tech Co., Ltd., respectively, and was the single largest shareholder of the companies. However, the Group did not hold a majority of the Board of Directors' seats and therefore did not actually participate in the business decisions and operating policies, including strategic decisions (such as financing, acquisitions, personnel and dividend policies) of Advagene Biopharma and Weida Hi-Tech. The Group's shareholding alone does not reach the statutory attendance percentage of shareholders' meetings, indicating that the Group has no actual ability to direct relevant activities. Therefore, it is judged that the Group has no control over the companies and only has a significant influence on them.
 - From January to September 2025, the Group sold shares of Advagene Biopharma Co., Ltd., resulting in a decrease in its shareholding ratio from 25.62% to 20.20%, and recognized a gain on disposal of investment of NT\$50,098. In June 2026, Advagene Biopharma Co., Ltd. conducted a cash capital increase through the issuance of new shares. The Group did not participate in the capital increase, resulting in a further decrease in its shareholding ratio from 20.20% to 17.29%, and recognized capital surplus of NT\$41,984.
 - In March 2024, the Group acquired 13,500 thousand common shares of TrueLight Corporation through private placement with an investment amount of NT\$410,400. As of June 30, 2026, the shareholding ratio was 12.11%, making the Group the single largest shareholder of the Company. However, the Group's shareholding does not reach the statutory attendance percentage of shareholders' meetings, indicating that the Group has no actual ability to direct relevant activities. Therefore, it is judged that the Group has no control over the company and has only a significant influence on it.
 - In April 2024, the Group acquired 6,000 thousand common shares issued by BKS Tec Corp. through a cash capital increase, with an investment amount of NT\$30,000 and a shareholding ratio of 38.91%. 3. In March 2026, the Group entered into an investment agreement with BKS Tec Corp. and made an additional investment of NT\$10,000, resulting in an increase in its shareholding ratio from 38.91% to 45.92%. In May 2026, BKS Tec Corp. conducted a cash capital increase through the issuance of new shares. The Group did not participate in the capital increase, resulting in a decrease in its shareholding ratio from 45.92% to 36.16%, and recognized capital surplus of NT\$3,872. The Group is the single largest shareholder of BKS Tec Corp. However, the Group does not hold a majority of the seats on the Board of Directors and therefore does not actually participate in all business decisions and operating

policies of BKS Tec Corp., including strategic decisions such as financing, acquisitions, personnel matters, and dividend policies. In addition, the Group's shareholding does not reach half of the historical average attendance rate at shareholders' meetings, indicating that the Group does not have the practical ability to direct the relevant activities. Therefore, the Group concluded that it does not have control over BKS Tec Corp., but only has significant influence.

6. In October 2025, Moment Semiconductor, Inc. issued 4,500 thousand new shares through a capital increase in the amount of NT\$45,000. As the Group did not participate in the subscription in proportion to its shareholding, its shareholding ratio in Moment Semiconductor, Inc. decreased from 52.84% to 25.27%. The Group assessed that it lost control as of that date and recognized its retained investment in the former subsidiary at fair value of NT\$17,109 on the date control was lost. In March 2026, Moment Semiconductor, Inc. carried out a cash capital increase through the issuance of new shares. As the Group did not participate in the capital increase, its shareholding ratio decreased from 25.27% to 18.75%, and capital surplus of NT\$5,956 was recognized.
7. For the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025, except for TrueLight Corporation, whose financial statements were reviewed by independent auditors, the investment income (loss) from long-term equity investments accounted for using the equity method was recognized based on the financial statements prepared by the investees for the same periods, which were not reviewed by independent auditors.

(This page is intentionally left blank)

(VIII) Property, plant and equipment

	Buildings and structures (including land)	Machinery and equipment	Office equipment	Transportation equipment	Mold equipment	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2026 (Restated)								
Cost	\$ 3,107,311	\$ 11,085,960	\$ 113,255	\$ 8,114	\$ 64,682	\$ 1,039,813	\$ 541,922	\$ 15,961,057
Accumulated depreciation and impairments	(1,387,049)	(3,978,727)	(85,240)	(5,112)	(38,582)	(579,029)	-	(6,073,739)
	<u>\$ 1,720,262</u>	<u>\$ 7,107,233</u>	<u>\$ 28,015</u>	<u>\$ 3,002</u>	<u>\$ 26,100</u>	<u>\$ 460,784</u>	<u>\$ 541,922</u>	<u>\$ 9,887,318</u>
<u>2026</u>								
January 1 (Restated)	\$ 1,720,262	\$ 7,107,233	\$ 28,015	\$ 3,002	\$ 26,100	\$ 460,784	\$ 541,922	\$ 9,887,318
Add - Cost	11,848	25,202	2,505	-	-	26,969	155,898	222,422
Disposals - Cost	-	(149,036)	(426)	(1,480)	-	-	-	(150,942)
Disposal - Accumulated depreciation	-	146,712	426	1,109	-	-	-	148,247
Reclassified as non-current assets held for sale	(842,963)	-	(226)	-	-	(11,537)	-	(854,726)
Depreciation	(103,691)	(531,282)	(7,190)	(594)	(3,172)	(83,421)	-	(729,350)
Reclassification	<u>60,717</u>	<u>327,649</u>	<u>903</u>	<u>-</u>	<u>5,307</u>	<u>22,617</u>	<u>(419,047)</u>	<u>(1,854)</u>
June 30	<u>\$ 846,173</u>	<u>\$ 6,926,478</u>	<u>\$ 24,007</u>	<u>\$ 2,037</u>	<u>\$ 28,235</u>	<u>\$ 415,412</u>	<u>\$ 278,773</u>	<u>\$ 8,521,115</u>
June 30, 2026								
Cost	\$ 2,336,913	\$ 11,289,775	\$ 116,011	\$ 6,634	\$ 69,989	\$ 1,077,862	\$ 278,773	\$ 15,175,957
Accumulated depreciation and impairments	(1,490,740)	(4,363,297)	(92,004)	(4,597)	(41,754)	(662,450)	-	(6,654,842)
	<u>\$ 846,173</u>	<u>\$ 6,926,478</u>	<u>\$ 24,007</u>	<u>\$ 2,037</u>	<u>\$ 28,235</u>	<u>\$ 415,412</u>	<u>\$ 278,773</u>	<u>\$ 8,521,115</u>

	Buildings and structures (including land)	Machinery and equipment	Office equipment	Transportation equipment	Mold equipment	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2025 (Restated)								
Cost	\$ 3,057,156	\$ 9,602,172	\$ 107,518	\$ 9,327	\$ 65,095	\$ 990,567	\$ 1,588,591	\$ 15,420,426
Accumulated depreciation and impairments	(1,156,092)	(3,363,404)	(68,073)	(5,607)	(36,357)	(408,752)	-	(5,038,285)
	<u>\$ 1,901,064</u>	<u>\$ 6,238,768</u>	<u>\$ 39,445</u>	<u>\$ 3,720</u>	<u>\$ 28,738</u>	<u>\$ 581,815</u>	<u>\$ 1,588,591</u>	<u>\$ 10,382,141</u>
<u>2025</u>								
January 1 (Restated)	\$ 1,901,064	\$ 6,238,768	\$ 39,445	\$ 3,720	\$ 28,738	\$ 581,815	\$ 1,588,591	\$ 10,382,141
Add - Cost	19,152	42,353	4,897	270	-	38,118	800,326	905,116
Disposals - Cost	-	(466,182)	(245)	(1,520)	(5,338)	(1,857)	-	(475,142)
Disposal - Accumulated depreciation	-	401,232	245	1,326	5,338	1,857	-	409,998
Depreciation	(114,462)	(486,889)	(9,931)	(646)	(3,915)	(86,171)	-	(702,014)
Reclassification	(15,552)	<u>791,489</u>	-	-	<u>3,700</u>	(8,519)	<u>(798,923)</u>	<u>(27,805)</u>
June 30	<u>\$ 1,790,202</u>	<u>\$ 6,520,771</u>	<u>\$ 34,411</u>	<u>\$ 3,150</u>	<u>\$ 28,523</u>	<u>\$ 525,243</u>	<u>\$ 1,589,994</u>	<u>\$ 10,492,294</u>
June 30, 2025								
Cost	\$ 3,060,756	\$ 9,969,832	\$ 112,170	\$ 8,077	\$ 63,457	\$ 1,018,309	\$ 1,589,994	\$ 15,822,595
Accumulated depreciation and impairments	(1,270,554)	(3,449,061)	(77,759)	(4,927)	(34,934)	(493,066)	-	(5,330,301)
	<u>\$ 1,790,202</u>	<u>\$ 6,520,771</u>	<u>\$ 34,411</u>	<u>\$ 3,150</u>	<u>\$ 28,523</u>	<u>\$ 525,243</u>	<u>\$ 1,589,994</u>	<u>\$ 10,492,294</u>

1. The Group had no interest capitalization for investment property in the period between January 1 and June 30, 2026 and 2025.
2. The major components of the Group's houses and buildings include land, buildings and factory renovation projects. Except for land, they are depreciated for 3 to 60 years.
3. Information on property, plant and equipment pledged to others as collateral is provided in Note 8.
4. The abovementioned property, plant and equipment of the Group are for self-use.
5. Please refer to Note 6(14) for information on the Group's reclassification to non-current assets held for sale.

(IX) Leasing arrangements - lessee

1. The underlying assets leased by the Group include land, buildings and company vehicles. Leasing contracts are typically made for periods of 3 to 20 years. Lease contracts are negotiated separately and include a variety of terms and conditions. There are no restrictions for the leased assets, except that they cannot be used as loan collaterals.
2. The lease periods of water dispensers and photocopiers leased by the Group did not exceed 12 months, and the leased underlying assets of low value were office machines.
3. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
	Book value	Book value	Book value
Land	\$ 298,002	\$ 306,063	\$ 314,272
Buildings and structures	17,941	18,522	9,467
Transportation equipment (company vehicles)	17,138	10,394	15,098
Other equipment	52,022	54,447	56,679
	<u>\$ 385,103</u>	<u>\$ 389,426</u>	<u>\$ 395,516</u>

	April 1 to June 30, 2026	April 1 to June 30, 2025
	Depreciation	Depreciation
Land	\$ 4,031	\$ 4,474
Buildings and structures	3,305	2,864
Transportation equipment (company vehicles)	2,375	2,843
Other equipment	1,159	1,205
	<u>\$ 10,870</u>	<u>\$ 11,386</u>

	January 1 to June 30, 2026	January 1 to June 30, 2025
	Depreciation	Depreciation
Land	\$ 8,061	\$ 8,947
Buildings and structures	7,210	6,008
Transportation equipment (company vehicles)	4,655	5,487
Other equipment	2,364	2,408
	<u>\$ 22,290</u>	<u>\$ 22,850</u>

4. For the six months ended June 30, 2026 and 2025, the increases of right-of-use assets were NT\$17,967 and NT\$4,596, respectively. The decreases in right-of-use assets of the Group for the six months ended June 30, 2026 and 2025 were NT\$0 and NT\$10,494, respectively.

5. The information on profit or loss items related to lease contracts is as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
<u>Items affecting current profit and loss</u>		
Interest expenses on lease liabilities	\$ 1,487	\$ 1,531
Expenses for short-term lease contracts	288	764
Lease of low-value assets	5	386
Gain on lease modifications	-	8
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
<u>Items affecting current profit and loss</u>		
Interest expenses on lease liabilities	\$ 2,967	\$ 3,106
Expenses for short-term lease contracts	1,348	1,382
Lease of low-value assets	226	1,054
Gain on lease modifications	-	32

6. For the six months ended June 30, 2026, and 2025, the Group's total cash outflow for leases was NT\$26,857 and NT\$27,333, respectively.

7. Options to extend or terminate leases

In determining lease terms, the Group takes into consideration all facts and circumstances that create economic incentives to exercise an option to extend or terminate leases. The assessment of lease period is reviewed if a significant event occurs which affects the assessment of options to extend or options not to terminate.

(X) Leasing arrangements - lessor

1. The Group leases out assets such as buildings. The lease contracts are typically made for periods of 1 to 2 years. The terms of lease contracts are negotiated separately and include various terms and conditions. In order to preserve the condition of leased assets, the Group usually requires lessees not to pledge the underlying leased assets.
2. The Group recognized rental income of \$13,684 and \$5,432, and NT\$28,537 and NT\$10,854 based on operating lease contracts in the period between April 1 and June 30 of 2026 and 2025 and January 1 and June 30 of 2026 and 2025, respectively, and none of the lease contracts involved variable lease payments.

3. The maturity analysis of the undiscounted lease payments under the operating leases is as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current year	\$ 930	\$ -	\$ 8,512
Within 1 year	2,220	5,719	-
Within 2 years	2,220	2,160	-
Within 3 years	2,180	2,160	-
Within 4 years	2,160	2,160	-
Within 5 years	180	2,160	-
Within 6 years	-	180	-
Total	<u>\$ 9,890</u>	<u>\$ 14,539</u>	<u>\$ 8,512</u>

(XI) Real estate investment

	<u>Buildings and structures</u>
January 1, 2026	
Cost	\$ 209,050
Accumulated depreciation	(30,117)
	<u>\$ 178,933</u>
<u>2026</u>	
January 1	\$ 178,933
Reclassified as non-current assets held for sale	(126,443)
Depreciation	(7,646)
June 30	<u>\$ 44,844</u>
June 30, 2026	
Cost	\$ 56,416
Accumulated depreciation	(11,572)
	<u>\$ 44,844</u>

	<u>Buildings and structures</u>
January 1, 2025	
Cost	\$ 192,176
Accumulated depreciation	(25,067)
	<u>\$ 167,109</u>
<u>2025</u>	
January 1	\$ 167,109
Reclassification for the period -- Cost	16,874
Reclassification for the period -- Accumulated depreciation	(1,322)
Depreciation	(1,864)
June 30	<u>\$ 180,797</u>
June 30, 2025	
Cost	\$ 209,050
Accumulated depreciation	(28,253)
	<u>\$ 180,797</u>

1. Rental income and direct operating expenses of investment real estate:

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Rental income from investment property	<u>\$ 13,684</u>	<u>\$ 5,432</u>
Direct operating expenses incurred by investment property that generates rental income for the period	<u>\$ 4,078</u>	<u>\$ 1,016</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Rental income from investment property	<u>\$ 28,537</u>	<u>\$ 10,854</u>
Direct operating expenses incurred by investment property that generates rental income for the period	<u>\$ 7,646</u>	<u>\$ 1,864</u>

2. The fair value of the investment property held by the Group as of June 30, 2026, December 31 and June 30, 2025 was NT\$38,979, NT\$1,155,750 and NT\$285,223, respectively. It was valued using the income method and was of Level 3 fair value. The key assumptions are as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Discount rate	4.15%	3.69%~5.60%	3.49%~4.17%
Annual rent (net income)	\$ 2,258	\$ 19,335	\$ 19,606
Number of years	31	31~45	45~50

3. No interest was capitalized for investment property in the period between January 1 and June 30, 2026 and 2025.
4. As of June 30, 2026, December 31, 2025 and June 30, 2025, the investment property was pledged as collateral; please refer to Note 8.

(XII) Intangible assets

	2026					
	Trademarks and concessions	Computer software	Patents	Others	Goodwill	Total
January 1 (Restated)						
Cost	\$ 278,523	\$ 129,479	\$ 184,360	\$ 33,333	\$ 271,920	\$ 897,615
Accumulated amortization and impairments	(180,503)	(124,399)	(144,109)	(18,889)	(122,054)	(589,954)
	<u>\$ 98,020</u>	<u>\$ 5,080</u>	<u>\$ 40,251</u>	<u>\$ 14,444</u>	<u>\$ 149,866</u>	<u>\$ 307,661</u>
	\$ 98,020	\$ 5,080	\$ 40,251	\$ 14,444	\$ 149,866	\$ 307,661
January 1 (Restated)						
Additions	-	3,931	-	-	-	3,931
Amortization expense	(8,330)	(2,751)	(4,066)	(3,333)	-	(18,480)
June 30	<u>\$ 89,690</u>	<u>\$ 6,260</u>	<u>\$ 36,185</u>	<u>\$ 11,111</u>	<u>\$ 149,866</u>	<u>\$ 293,112</u>
June 30						
Cost	\$ 278,523	\$ 133,410	\$ 184,360	\$ 33,333	\$ 271,920	\$ 901,546
Accumulated amortization and impairments	(188,833)	(127,150)	(148,175)	(22,222)	(122,054)	(608,434)
	<u>\$ 89,690</u>	<u>\$ 6,260</u>	<u>\$ 36,185</u>	<u>\$ 11,111</u>	<u>\$ 149,866</u>	<u>\$ 293,112</u>

2025						
	Trademarks and concessions	Computer software	Patents	Others	Goodwill	Total
January 1						
Cost	\$ 276,588	\$ 126,820	\$ 179,698	\$ 33,333	\$ 295,626	\$ 912,065
Accumulated amortization and impairments	(96,765)	(95,181)	(25,727)	(12,222)	(27,390)	(257,285)
	<u>\$ 179,823</u>	<u>\$ 31,639</u>	<u>\$ 153,971</u>	<u>\$ 21,111</u>	<u>\$ 268,236</u>	<u>\$ 654,780</u>
January 1	\$ 179,823	\$ 31,639	\$ 153,971	\$ 21,111	\$ 268,236	\$ 654,780
Add - Cost	-	117	-	-	-	117
Amortization expense	(13,542)	(14,199)	(7,884)	(3,333)	-	(38,958)
Reclassification	-	-	(337)	-	-	(337)
Impairment loss	-	-	-	-	(23,666)	(23,666)
June 30	<u>\$ 166,281</u>	<u>\$ 17,557</u>	<u>\$ 145,750</u>	<u>\$ 17,778</u>	<u>\$ 244,570</u>	<u>\$ 591,936</u>
June 30						
Cost	\$ 276,588	\$ 126,937	\$ 179,361	\$ 33,333	\$ 295,626	\$ 911,845
Accumulated amortization and impairments	(110,307)	(109,380)	(33,611)	(15,555)	(51,056)	(319,909)
	<u>\$ 166,281</u>	<u>\$ 17,557</u>	<u>\$ 145,750</u>	<u>\$ 17,778</u>	<u>\$ 244,570</u>	<u>\$ 591,936</u>

1. The details of amortization of intangible assets are as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Operating costs	\$ 4,019	\$ 12,952
Operating Expenses	4,221	6,524
	<u>\$ 8,240</u>	<u>\$ 19,476</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
Operating costs	\$ 9,453	\$ 25,898
Operating Expenses	9,027	13,060
	<u>\$ 18,480</u>	<u>\$ 38,958</u>

2. Goodwill allocated to the cash-generating unit of the Group identified by the operating department:

June 30, 2026		December 31, 2025	
Photomask and semiconductor segment	Medical segment	Photomask and semiconductor segment	Medical segment
<u>\$ 106,618</u>	<u>\$ 43,248</u>	<u>\$ 106,618</u>	<u>\$ 43,248</u>

June 30, 2025	
Photomask and semiconductor segment	Medical segment
<u>\$ 201,322</u>	<u>\$ 43,248</u>

(XIII) Impairment of non-financial assets

1. The details of the impairment losses on intangible assets recognized by the Group for the three months ended June 30, 2026 and 2025 and the six months ended June 30, 2026 and 2025, disclosed by asset category, are as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
	Recognized in profit or loss of the period	Recognized in profit or loss of the period
Impairment loss - Goodwill	<u>\$ -</u>	<u>\$ 23,666</u>
	January 1 to June 30, 2026	January 1 to June 30, 2025
	Recognized in profit or loss of the period	Recognized in profit or loss of the period
Impairment loss - Goodwill	<u>\$ -</u>	<u>\$ 23,666</u>

2. As business conditions were not as good as expected, and the recoverable amount was estimated to be less than the book value, an impairment loss of NT\$23,666 was recognized in 2025.

The recoverable amount of the Group is assessed based on the value in use. The value in use is calculated based on the pre-tax cash flow forecast of the financial budget approved by the management. The main assumptions used to calculate the value in use are as follows:

- (1) Revenue growth rate: Reference to market-related information and estimated based on the planned operating sales plan.
- (2) Margin rate: Reference to historical values and estimated based on the planned operating sales plan.
- (3) Discount rate: The pre-tax ratio and reflects the specific risks of the relevant operating segments.

(XIV) Non-current assets held for sale

To revitalize its assets, on June 10, 2026, the Group's Board of Directors approved the sale of the real property, buildings and ancillary equipment of Zhunan Plant 6, which were reclassified as a disposal group held for sale. The transaction is expected to be completed in the third quarter of 2026. As of June 30, 2026, the Group had received advance payments of NT\$560,000, which were recorded under other current liabilities.

Assets of disposal groups held for sale:

	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant and equipment	\$ 854,726	\$ -	\$ -
Real estate investment	126,443	-	-
Total	<u>\$ 981,169</u>	<u>\$ -</u>	<u>\$ -</u>

(XV) Other Non-Current Assets

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Prepayments for equipment	\$ 416,923	\$ 301,276	\$ 357,813
Refundable Deposit	31,231	37,845	59,528
Others	6,627	546	1,198
Total	<u>\$ 454,781</u>	<u>\$ 339,667</u>	<u>\$ 418,539</u>

(XVI) Short Term Loans

Type of borrowings	June 30, 2026	Range of interest rate	Collateral
Bank borrowings			
Credit loan	\$ 1,284,560	1.5%~3.5%	None
Secured borrowings	3,065,725	2.0%~4.469%	Certificates of deposit, reserve accounts (Note 1), machinery equipment, investment property, stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)			
Credit loan	31,241	2.70%	None
	<u>\$ 4,381,526</u>		
Type of borrowings	December 31, 2025	Range of interest	Collateral

			rate	
Bank borrowings				
Credit loan	\$	1,289,740	1.6%~3.5%	None
Secured borrowings		3,464,737	0.5%~4.469%	Certificates of deposit, reserve accounts (Note 1), machinery equipment, stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)				
Credit loan		<u>77,494</u>	2.7%	None
	\$	<u>4,831,971</u>		
Type of borrowings		June 30, 2025	Range of interest rate	Collateral
Bank borrowings				
Credit loan	\$	2,257,686	1.6%~4.204%	None
Secured borrowings		2,424,301	0.5%~3.125%	Certificates of deposit, reserve accounts (Note 2), stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)				
Credit loan		<u>106,876</u>	2.7%	None
	\$	<u>4,788,863</u>		

Note 1: The responsible person of the Company is the joint guarantor.

Note 2: The responsible person of the subsidiary is the joint guarantor.

For the period between April 1 and June 30, 2026 and 2025 and January 1 and June 30, 2026 and 2025, the interest expenses recognized in profit and loss were NT\$32,518 and NT\$29,711, and NT\$66,023 and NT\$64,256, respectively.

(XVII) Other Payables

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Payable on machinery and equipment	\$ 289,967	\$ 248,269	\$ 526,137
Machine maintenance payable	127,951	240,101	156,980
Payroll and bonus payable	142,247	141,844	136,460
Remunerations payable to employees and directors	135	-	129
Others	308,874	340,677	555,862
	<u>\$ 869,174</u>	<u>\$ 970,891</u>	<u>\$ 1,375,568</u>

(XVIII) Corporate bonds payable

	June 30, 2026	December 31, 2025	June 30, 2025
Corporate bonds payable	\$ 4,300,000	\$ 4,300,000	\$ 4,300,000
Less: Amount of exercised conversion options	(325,200)	(325,200)	(325,200)
Less: Discount on corporate bonds payable	(3,234)	(4,392)	(23,474)
	3,971,566	3,970,408	3,951,326
Less: Corporate bonds with the put option exercised	(1,576,900)	(1,576,900)	(33,400)
Less: Corporate bonds redeemed early	(299,416)	(299,416)	(299,416)
Less: Current portion of corporate bonds payable	(97,812)	(97,254)	(1,622,272)
	<u>\$ 1,997,438</u>	<u>\$ 1,996,838</u>	<u>\$ 1,996,238</u>

1. The terms of issuance for the Group's 3rd domestic unsecured convertible bonds are as follows:

(1) The Group has been approved by the competent authority to raise and issue NT\$2,000,000 of the 3rd domestic unsecured convertible bonds, with a coupon rate of 0% and an issuance period of 5 years from August 3, 2021 to August 3, 2026.

The convertible bonds are repayable in cash at par value on maturity. The convertible bonds were listed for trading on August 3, 2021.

(2) The bondholders may request the conversion of the convertible bonds into the Group's common shares at any time from the day after the expiration of three months from the date of issuance of the corporate bonds to the maturity date, except during the period when the transfer of the corporate bonds is suspended in accordance with the regulations or laws, and the rights and obligations of the converted common shares

are the same as those of the original issued common shares.

- (3) The conversion price of the convertible bonds is determined in accordance with the pricing model stipulated in the Measures, and the conversion price will be adjusted in accordance with the pricing model stipulated in the Conversion Measures in the event that the Group is subject to anti-dilution provisions. The conversion price will be reset on the base date set by the Regulations in accordance with the pricing model stipulated in the Conversion Measures. As of June 30, 2026, the conversion price was NT\$73.50 per share.
 - (4) If the closing price of the Company's common stock exceeds 30% of the then conversion price for 30 consecutive business days from the day following the third month of the issuance of the convertible bonds to the 40th business day prior to the expiration of the issuance period, the Company may redeem the outstanding corporate bonds within the next 30 business days at the par value of the corporate bonds in cash.
 - (5) If the outstanding balance of the convertible bonds is less than 10% of the total par value of the corporate bonds issued, the Company may redeem the convertible bonds at any time thereafter for cash at the par value of the corporate bonds, from the day following the third month of the issuance of the corporate bonds to the 40th business day prior to the expiration of the issuance period.
 - (6) As of June 30, 2026, a total amount of NT\$325,200 had been converted into 3,742 thousand shares of common stock.
 - (7) As of June 30, 2026, 15,769 convertible bonds were redeemed at the price of NT\$100; the repurchase amount was NT\$1,576,900.
 - (8) Upon issuance of convertible bonds, the Group separated the conversion options from the components of liabilities in accordance with IAS 32, "Financial Instruments: Presentation", and recorded "capital surplus - stock options" at NT\$406,616. The embedded repurchase and repurchase rights are separated from the principal contractual debt instruments in accordance with IFRS 9, "Financial Instruments", because they are not closely related to the economic characteristics and risks of the principal contractual debt instruments, and are recorded as "financial assets or liabilities at fair value through profit or loss" on a net basis. The effective interest rate of the master contract debt after the separation was 0.0902%.
2. First series domestic secured corporate bonds
- In order to raise the Group's working capital, the board of directors resolved to approve on August 5, 2022 the issue of the first series domestic secured corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:
- (1) Total amount of issue: According to the different issue conditions, there are two types of bonds, A and B, of which A is issued with an amount of NT\$300,000, and B is issued with an amount of NT\$200,000, totaling NT\$500,000.
 - (2) Issue period: Five years, issued on September 28, 2022, and matured on September 28, 2027.
 - (3) Coupon rate and repayment method of principal and interest: Both Bond A and Bond B have a fixed annual coupon rate of 1.80%. Simple interest is calculated and paid once a year, and the principal is repaid in cash at the face value of the bond at maturity.
 - (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the

performance of corporate bonds signed by major banks.

3. Second series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 5, 2022 the issue of the second series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount of issue: According to the different issue conditions, there are two types of bonds, A and B, of which A is issued with an amount of NT\$200,000, and B is issued with an amount of NT\$300,000, totaling NT\$500,000.
- (2) Issue period: Five years, issued on December 27, 2022, and matured on December 27, 2027.
- (3) Coupon rate and repayment method of principal and interest: Bond A has a fixed annual coupon rate of 2.20% and Bond B has a fixed annual coupon rate of 2.38%. Simple interest is calculated and paid once a year, and the principal is repaid in cash at the face value of the bond at maturity.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.
- (5) Upon the resolution of the Group's board of directors on May 27, 2024, the Chairman was authorized to repurchase all the second series domestic secured convertible corporate bonds B issued by the Company in 2022 from the securities dealer's office for cancellation and delisting. As the early repurchase was near the expiration of principal repayment of NT\$300,000 on June 24, the delisting from Taipei Exchange was determined to be done on June 25, 2024.

4. Third series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 4, 2023 the issue of the third series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount issued: NT\$300,000 in total.
- (2) Issuance period: Five years from issuance on August 28, 2023 to expiration on August 28, 2028.
- (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 1.62% per annum, and the simple interest is calculated once a year. At maturity, the principal is repaid in cash based on the face value of the bond.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

5. Fourth series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 4, 2023 the issue of the fourth series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount issued: NT\$500,000 in total.

- (2) Issuance period: Five years from issuance on December 12, 2023 to expiration on December 12, 2028.
 - (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 1.8% per annum, and the simple interest is calculated once a year. At maturity, the principal is repaid in cash based on the face value of the bond.
 - (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.
6. Fifth series domestic secured convertible corporate bonds
- In order to raise the Group's working capital, the board of directors resolved to approve on August 1, 2024 the issue of the fifth series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:
- (1) Total amount issued: NT\$500,000 in total.
 - (2) Issuance period: Five years from issuance on August 1, 2024 to expiration on August 1, 2029.
 - (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 2.2% per annum, and the simple interest is calculated once a year. At maturity, the principal is repaid in cash based on the face value of the bond.
 - (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

(XIX) Long-term Loans

Type of borrowings	Borrowing period and payment method	Range of interest rate	Collateral	June 30, 2026
Long-term bank borrowings				
Secured borrowings	From January 28, 2022 to January 27, 2027, to be repaid in installments over the agreed period	2.68%	Buildings and structures, machinery equipment and non-current assets held for sale	\$ 250,000
Secured borrowings	From December 28, 2022 to December 28, 2032, repayable in portions and in installments during the term specified in the agreement	2.30%~2.58%	Buildings and structures and non-current assets held for sale	551,341
Secured borrowings	From December 27, 2021 to March 24, 2030, to be repaid in installments and installments over the agreed	2.33%~3.02%	Machinery and equipment	1,024,659

	period		
Secured borrowings	From July 26, 2023 to July 26, 2038, with interest paid monthly	2.45%~ 3.23%	Plant and land 248,236
Other long-term borrowings			
Secured borrowings	Repayable in portions and in installments during the term specified in the agreement from May 22, 2023 to September 5, 2027	3.04%~ 3.58%	Machinery and equipment 419,221
Secured borrowings	From June 10, 2022 to February 3, 2030, to be repaid in installments and installments over the agreed period	3.44%~ 7.18%	Buildings and structures, machinery and equipment, equipment pending acceptance, and other equipment 188,270
Secured borrowings	Repayment of principal and interest in monthly installments from February 29, 2024 to January 31, 2027	8.20%	Machinery equipment and refundable deposits 7,476
			-
			2,689,203
Less: Current portion of long-term borrowings			(1,451,854)
			<u>\$ 1,237,349</u>

Type of borrowings	Borrowing period and payment method	Range of interest rate	Collateral	December 31, 2025
Secured borrowings	From January 28, 2022 to June 20, 2027, to be repaid in installments over the agreed period	2.47%~ 2.93%	Houses and buildings, machinery equipment and investment property	\$ 750,000
Secured borrowings	From August 23, 2024 to December 28, 2032, to be repaid in installments and installments over the agreed period	2.30%~ 2.58%	Houses and buildings and investment property	1,126,316
Secured borrowings	From July 26, 2023 to July 26, 2038, with interest paid monthly	2.45%~ 3.23%	Plant and land	269,743
Secured borrowings	From December 27, 2021 to March 24, 2030, to be repaid in installments and installments over the agreed period	2.33%~ 3.02%	Machinery and equipment	946,378
Other long-term borrowings				
Credit loan	Repayment of principal and interest in monthly installments from August 2, 2024 to August 2, 2026	5.75%	Refundable Deposit	8,697
Secured borrowings	Repayment of principal and interest in monthly installments from October 28, 2021 to March 28, 2029	3.04%~ 5.61%	Machinery and equipment	663,736
Secured borrowings	From June 10, 2022 to July 28, 2028, to be repaid in installments and installments over the agreed period	3.44%~ 6.54%	Buildings, machinery and equipment, and refundable deposits	195,057
Secured borrowings	Repayment of principal and interest in monthly installments from February 29, 2024 to January 31, 2027	8.20%	Machinery equipment and refundable deposits	13,645
				-
				3,973,572
Less: Current portion of long-term borrowings				(1,630,782)
				<u>\$ 2,342,790</u>

Type of borrowings	Borrowing period and payment method	Range of interest rate	Collateral	June 30, 2025
Long-term bank borrowings				
Credit loan	From January 24, 2022 to August 28, 2029, to be repaid in installments and installments over the agreed period	2.22%~3.95%	None (Note)	\$ 21,092
Secured borrowings	From January 28, 2022 to January 27, 2027, to be repaid in installments over the agreed period	2.68%	Houses and buildings, machinery equipment and investment property	500,000
Secured borrowings	From December 28, 2022 to December 28, 2032, repayable in portions and in installments during the term specified in the agreement	2.30%~2.58%	Houses and buildings and investment property	1,171,053
Secured borrowings	From July 26, 2023 to July 26, 2038, to be repaid in installments and installments over the agreed period	2.45~3.23%	Plant and land	225,535
Secured borrowings	From December 29, 2022 to March 24, 2030, to be repaid in installments and installments over the agreed period	2.33%~3.02%	Machinery and equipment	1,418,529
Other long-term borrowings				
Credit loan	From October 5, 2023 to January 2, 2027, to be repaid in installments and installments over the agreed period	4.96%~7.80%	None	60,869
Secured borrowings	From July 29, 2021 to March 28, 2029, to be repaid in installments and installments over the agreed period	2.45%~8.20%	Machinery and equipment	627,379
Secured borrowings	From June 10, 2022 to July 28, 2028, to be repaid in installments and installments over the agreed period	3.44%~7.18%	Machine and equipment, land, buildings and structures	283,427
				-
				4,307,884
Less: Current portion of long-term borrowings				(1,345,308)
				<u>\$ 2,962,576</u>

Note: The responsible person of the subsidiary is the joint guarantor

(XX) Pensions

1. (1) The Company and its domestic subsidiaries operate a defined benefit pension plan in accordance with the Labor Standards Act, which cover all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last six months prior to retirement. The Company and its domestic subsidiaries contribute a monthly amount equal to 2% of employees' monthly salaries and wages to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by the end of next March.
- (2) For the periods between April 1 and June 30 of 2026 and 2025, and January 1 and June 30 of 2026 and 2025, the pension costs recognized by the Corporate Group in accordance with the abovementioned pension measures were NT\$534, NT\$534, NT\$1,067, and NT\$1,067, respectively.
- (3) The expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2027 are NT\$2,133.
2. (1) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (hereinafter referred to as the "New Plan") under the Labor Pension Act (hereinafter referred to as the "Act"), covering all regular employees with domestic citizenship. Under the New Plan, the Company and its domestic subsidiaries contribute an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (2) The mainland China subsidiaries make monthly contributions to pension insurance in accordance with the pension insurance system prescribed by the policies of the People's Republic of China, based on a certain percentage of the total monthly salaries of local employees. Other than making such monthly contributions, the Company has no further obligations.
- (3) For the periods between April 1 and June 30 of 2026 and 2025, and January 1 and June 30 of 2026 and 2025, the pension costs recognized by the Corporate Group in accordance with the abovementioned pension measures were NT\$9,201, NT\$11,957, NT\$18,893, and NT\$25,345, respectively.

(XXI) Share-based payment

For the period from January 1 to February 13, 2026, before the Group acquired 100% equity interests in its subsidiary, LUMAPURE CO., LTD., the share-based payment arrangements were as follows:

1. Employees of the subsidiary may receive share-based payments as part of the

compensation plan. Employees provide services as consideration for obtaining equity instruments, and such transactions are equity-settled share-based payment transactions.

Employee Restricted Shares Plan of Spectrum Electrics Corporation:

Spectrum Electrics Corporation resolved at its annual shareholders' meeting on June 5, 2023 to issue 4,000 thousand employee restricted shares in tranches, to be filed and processed in tranches within two years from the date of approval. In addition, at its extraordinary shareholders' meeting on September 28, 2023, the number of shares to be issued was amended to 5,000 thousand shares, to be issued at NT\$0 per share, that is, allocated to employees without cash consideration. On January 23, 2024, the Board of Directors resolved to issue the first tranche of 4,050 thousand new restricted ordinary shares to employees, limited to full-time employees of Spectrum Electrics Corporation and its domestic and foreign controlling or subordinate companies. The share price on the grant date was NT\$28 per share, and the related share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract Period	Vesting conditions
Employee restricted shares plan (Note 1)	January 23, 2024	4,050	30 months	Achievement of performance conditions (Note 2)

Note 1: The employee restricted shares issued by Spectrum Electrics Corporation may not be transferred during the vesting period. However, voting rights and the rights to participate in dividend distribution are not restricted. If an employee resigns during the vesting period, the shares shall be returned, but dividends already received are not required to be returned.

Note 2: If an employee remains employed by the subsidiary for six months from the issuance date of the employee restricted shares, 20% of the allocated shares may vest in tranches. If the latest annual consolidated financial statements of Spectrum Electrics Corporation as audited and certified by independent accountants show net profit after tax, an additional 20% of the shares may vest. If an employee remains employed by the subsidiary for 18 months from the issuance date of the employee restricted shares, 15% of the allocated shares may vest in tranches. If the latest annual consolidated financial statements of Spectrum Electrics Corporation audited and certified by independent accountants show net profit after tax, an additional 15% of the shares may vest. If an employee remains employed by the subsidiary for 30 months from the issuance date of the employee restricted shares, 15% of the allocated shares may vest in tranches. If the latest annual consolidated financial statements of Spectrum Electrics Corporation audited and certified by independent accountants show net profit after tax, an additional 15% of the shares may vest.

2. Expenses arising from share-based payment transactions recognized by the subsidiary were as follows:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Equity-settled	\$ -	\$ -
	January 1 to June 30, 2026	January 1 to June 30, 2025
Equity-settled	\$ 73	\$ -

(XXII) Capital

1. As of June 30, 2026, the Company's authorized capital was \$5,000,000, consisting of 500,000 thousand shares (including 20,000 thousand shares reserved for subscription as employee stock options). The paid-in capital was \$3,668,492 with a par value of NT\$10. All proceeds from shares issued have been collected.

The movements in the number of the Company's common stocks outstanding are as follows:

	Unit: Thousand shares	
	2026	2025
January 1	277,033	213,633
Cash capital increase	50,000	-
June 30	327,033	213,633

Pursuant to the resolution of the Board of Directors on May 28, 2025, the Company issued 50,000 thousand new shares through a cash capital increase, with a par value of NT\$10 per share and an issue price of NT\$32 per share. The record date of the capital increase was March 16, 2026, and the registration of amendment for the capital increase has been completed.

2. Treasury stock

- (1) Reasons for repurchase of shares and changes in the quantity:

Company name of the shareholding	Reasons for buyback	June 30, 2026	
		Number of shares (thousand)	Book value
Subsidiary - Goke Holdings Co., Ltd. (Note)	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	4,485	388,983
		39,816	\$ 891,759

Note: Formerly named You-Yuan Investment Co., Ltd., it was renamed Goke Holdings Co., Ltd. in August 2025.

December 31, 2025

Company name of the shareholding	Reasons for buyback	Number of shares (thousand)	Book value
Subsidiary - Goke Holdings Co., Ltd. (Note)	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	4,485	388,983
		<u>39,816</u>	<u>\$ 891,759</u>

Note: Formerly named You-Yuan Investment Co., Ltd., it was renamed Goke Holdings Co., Ltd. in August 2025.

		June 30, 2025	
Company name of the shareholding	Reasons for buyback	Number of shares (thousand)	Book value
Subsidiary - Goke Holdings Co., Ltd.	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	7,462	664,593
		<u>42,793</u>	<u>\$ 1,167,369</u>

- (2) The Securities and Exchange Act stipulates that the percentage of the Company's repurchase of outstanding shares shall not exceed 10% of the Company's total issued shares, and the total value of shares purchased shall not exceed the retained earnings plus the premium of issued shares and the amount of realized capital reserve.
- (3) The treasury stocks bought back by the Company in accordance with the Securities and Exchange Act shall not be pledged. Before transfer, shareholders are not entitled to the shareholders' rights.
- (4) According to the provisions of the Securities and Exchange Act, the share repurchased to be transferred to employees shall be transferred within 5 years from the date of the purchase. If the transfer is not made within the time limit, the shares are deemed as unissued shares, and change of registration shall be made to cancel the shares. In order to maintain the Company's credit and shareholders equity, the shares bought back should have the registration changed to cancel the shares within six months from the date of the purchase.
- (5) The Company's stock held by the subsidiary Goke Holdings Co., Ltd. is treated as treasury stock. As of June 30, 2026, December 31, 2025 and June 30, 2025, Goke Holdings Co., Ltd. held 35,331 thousand shares of the Company. The average book value per share was NT\$14.23, and the fair value per share was NT\$50.8, NT\$35.35, and NT\$28.7, respectively. The cost of transferring treasury stocks is calculated based on the book value of the Company's stock held by Goke Holdings Co., Ltd. and the Company's indirect shareholding during each period.
- (6) On November 3, 2021, the Board of Directors resolved to purchase 6,000 thousand shares of the Company's stock in the centralized trading market and transfer them to employees. This amount represented 2.37% of the total number of issued shares of the Company. The repurchase of 4,485 thousand shares was completed between November 4, 2021 and January 3, 2022. On January 21, 2022, the Board of

Directors approved the transfer of 4,485 thousand shares to employees.

- (7) On May 6, 2022, the Board of Directors resolved to purchase 10,000 thousand shares of the Company's stock in the centralized trading market and transfer them to employees. This amount represented 3.91% of the total number of issued shares of the Company. The repurchase of 10,000 thousand shares was completed between May 9, 2022 and July 8, 2022. On April 14, 2023, the Board of Directors approved the transfer of 10,000 thousand shares to employees, of which 7,023 thousand shares were transferred to employees in June 2023. As of May 5, 2025, there were still 2,977 thousand shares that had not yet been transferred to employees. On May 5, 2025, the Board of Directors resolved to cancel the treasury shares, with July 8, 2025 as the capital reduction record date. The cancellation of such shares has been completed.

(XXIII) Capital surplus

In accordance with the Company Act, any capital surplus arising from paid-in capital in excess of the par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient. The following is a breakdown of the capital reserve:

	Issue premiums	Trading of treasury stock	Changes in ownership interests in subsidiaries recognized	Equity changes in associates	Difference between actual acquisition or disposal price and carrying value of equity in subsidiaries	Others	Total
January 1, 2026	\$ 932,614	\$ 666,495	\$ 268,385	\$ 112,713	\$ -	\$ 324,942	\$ 2,305,149
Cash capital increase	1,094,490	-	-	-	-	-	1,094,490
Difference between actual acquisition or disposal price and carrying value of equity in subsidiaries	-	-	-	-	19,462	-	19,462
Changes in ownership interests in subsidiaries recognized	-	-	37,697	-	-	-	37,697
Changes in shares of affiliates recognized under the equity method	-	-	-	51,812	-	-	51,812
June 30, 2026	<u>\$ 2,027,104</u>	<u>\$ 666,495</u>	<u>\$ 306,082</u>	<u>\$ 164,525</u>	<u>\$ 19,462</u>	<u>\$ 324,942</u>	<u>\$ 3,508,610</u>

	Issue premiums	Trading of treasury stock	Changes in ownership interests in subsidiaries recognized	stock option	Equity changes in associates	Others	Total
January 1, 2025	\$ 44,997	\$ 912,335	\$ 155,293	\$ 288,895	\$ 119,385	\$ 11,136	\$ 1,532,041
Changes in ownership interests in subsidiaries recognized	-	-	97,085	-	-	-	97,085
Changes in shares of affiliates recognized under the equity method	-	-	-	-	(6,673)	-	(6,673)
June 30, 2025	<u>\$ 44,997</u>	<u>\$ 912,335</u>	<u>\$ 252,378</u>	<u>\$ 288,895</u>	<u>\$ 112,712</u>	<u>\$ 11,136</u>	<u>\$ 1,622,453</u>

(XXIV) Retained earnings

1. According to the Articles of Incorporation, any surplus from profit concluded at the end of year by the Company is first subject to reimbursement of previous losses and payment of taxes, followed by 10% provision for legal reserve and provision or reversal of special reserve as the laws may require. Any earnings remaining shall be distributed as shareholders' dividends in whole or partially.
2. The Company takes into account the overall business environment, industrial growth, and the Company's long-term financial planning for stable operation and development to adopt a residual dividend policy, which is mainly based on the Company's future capital budgeting plan to measure the annual capital needs. After using the retained earnings for funding, the remaining surplus will be distributed in the form of dividends, and the distribution steps are shown as follows:
 - (1) Decide on the best capital budgeting.
 - (2) Decide on the financing required for one of the capital budgeting items.
 - (3) Decide on the amount of the financing to be supported by retained earnings (methods such as cash capital increase or corporate bonds and so on can be adopted as support).
 - (4) After retaining the portion required for operation needs out of the earnings remainder, the rest should be distributed to shareholders in the form of dividends. Cash dividends distribution proportion should not be lower than 20% of the total amount of dividends for the distribution proportion of the Company's dividends.
3. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
4. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
5. On June 18, 2026, the Shareholders' meeting resolved to approve the proposal for offsetting the 2025 deficit by using legal reserve of NT\$863,958 and capital surplus of NT\$320,925.

6. The Company's shareholders' meeting approved the proposal for covering the losses in 2024 on May 28, 2025.

(XXV) Other equity interests

	2026		
	Unrealized gains and losses	Hedging reserve	Foreign currency translation
January 1	(\$ 2,275)		\$ 20,671
Difference in foreign currency translation:			
- Group	-		19,586
June 30	(\$ 2,275)		\$ 40,257

	2025	
	Unrealized gains and losses	Foreign currency translation
January 1	(\$ 2,666)	\$ 22,814
Difference in foreign currency translation:		
- Group	391	(51,792)
June 30	(\$ 2,275)	(\$ 28,978)

(XXVI) Operating income

	April 1 to June 30, 2026	April 1 to June 30, 2025
Revenue from contracts with customers	\$ 1,513,784	\$ 1,589,933
	January 1 to June 30, 2026	January 1 to June 30, 2025
Revenue from contracts with customers	\$ 3,052,495	\$ 3,217,890

1. Segmentation of revenue from contracts with customers

The Corporate Group derives its revenue from the transfer of goods and services either over time or at a point in time. The revenue can be divided into the following main product lines:

April 1 to June 30, 2026	Photomask and semiconductor segment	Medical segment	Total
Revenue from contracts with external customers	\$ 1,393,234	\$ 120,550	\$ 1,513,784
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 456,002	\$ 120,550	\$ 576,552
Income recognized gradually over time	937,232	-	937,232
	\$ 1,393,234	\$ 120,550	\$ 1,513,784
April 1 to June 30, 2025	Photomask and semiconductor segment	Medical segment	Total
Revenue from contracts with external customers	\$ 1,503,745	\$ 86,188	\$ 1,589,933
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 541,260	\$ 86,188	\$ 627,448
Income recognized gradually over time	962,485	-	962,485
	\$ 1,503,745	\$ 86,188	\$ 1,589,933
January 1 to June 30, 2026	Photomask and semiconductor segment	Medical segment	Total
Revenue from contracts with external customers	\$ 2,823,960	\$ 228,535	\$ 3,052,495
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 954,397	\$ 228,535	\$ 1,182,932
Income recognized gradually over time	1,869,563	-	1,869,563
	\$ 2,823,960	\$ 228,535	\$ 3,052,495
January 1 to June 30, 2025	Photomask and semiconductor segment	Medical segment	Total
Revenue from contracts with external customers	\$ 3,030,630	\$ 187,260	\$ 3,217,890
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 1,055,137	\$ 187,260	\$ 1,242,397
Income recognized gradually over time	1,975,493	-	1,975,493
	\$ 3,030,630	\$ 187,260	\$ 3,217,890

2. Contract Asset and Contract Liability

- (1) The Group has recognized the following revenue-related contract assets and contract liabilities:

	June 30, 2026	December 31, 2025	June 30, 2025	January 1, 2025
Contract Assets	<u>\$ 66,433</u>	<u>\$ 79,142</u>	<u>\$ 60,425</u>	<u>\$ 90,967</u>
Contract Liabilities	<u>\$ 393,276</u>	<u>\$ 207,391</u>	<u>\$ 133,795</u>	<u>\$ 64,453</u>

- (2) Contract liabilities at the beginning of the period recognized as revenue of the period:

	April 1 to June 30, 2026	April 1 to June 30, 2025
Opening balance of contract liabilities recognized in the current period	<u>\$ 28,699</u>	<u>\$ 1,088</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Opening balance of contract liabilities recognized in the current period	<u>\$ 131,245</u>	<u>\$ 45,142</u>

3. Please refer to Note 12 (2) for the information on credit risk related to contract assets.

(XXVII) Interest income

	April 1 to June 30, 2026	April 1 to June 30, 2025
Interest from bank deposits	<u>\$ 2,090</u>	<u>\$ 1,808</u>
Interest income from financial assets measured at amortized cost	<u>2,043</u>	<u>2,731</u>
Other interest incomes	<u>59</u>	<u>37</u>
	<u>\$ 4,192</u>	<u>\$ 4,576</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Interest from bank deposits	<u>\$ 3,084</u>	<u>\$ 3,153</u>
Interest income from financial assets measured at amortized cost	<u>3,543</u>	<u>4,684</u>
Other interest incomes	<u>109</u>	<u>82</u>
	<u>\$ 6,736</u>	<u>\$ 7,919</u>

(XXVIII) Other Incomes

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Rental income	\$ 13,684	\$ 6,076
Dividend income	86,518	5,130
Other income - Others	<u>3,678</u>	<u>3,664</u>
	<u>\$ 103,880</u>	<u>\$ 14,870</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Rental income	\$ 28,537	\$ 12,198
Dividend income	86,518	5,130
Other income - Others	<u>18,653</u>	<u>14,232</u>
	<u>\$ 133,708</u>	<u>\$ 31,560</u>

(XXIX) Other Gains and Losses

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Gain (loss) on disposal of property, plant and equipment	(\$ 759)	\$ 14,111
Gain (loss) on disposal of investments	-	3,472
Gain on lease modifications	-	8
Foreign currency exchange gain (loss)	6,170 (	56,236)
Net profit (loss) of financial assets and liabilities at fair value through profit or loss	17,022 (	247,269)
Goodwill impairment loss	- (	23,666)
Other losses -- Depreciation of investment properties	(4,078) (	1,016)
Other Gains and Losses	(1,834)	(1,567)
	<u>\$ 16,521</u>	<u>(\$ 312,163)</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Gain (loss) on disposal of property, plant and equipment	(\$ 762)	\$ 30,032
Gain (loss) on disposal of investments	-	49,191
Gain on lease modifications	-	32
Foreign currency exchange gain (loss)	21,012 (	64,477)
Net profit (loss) of financial assets and liabilities at fair value through profit or loss	208,254 (	401,005)
Goodwill impairment loss	- (	23,666)
Other losses -- Depreciation of investment properties	(7,646) (	1,864)
Other Gains and Losses	(857)	(3,473)
	<u>\$ 220,001</u>	<u>(\$ 415,230)</u>

(XXX) Financial Costs

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Interest expenses:		
Bank and other borrowings	\$ 50,563	\$ 62,772
Corporate bonds	9,213	14,247
Lease liabilities	1,487	1,531
Others	567	4
	<u>\$ 61,830</u>	<u>\$ 78,554</u>

	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Interest expenses:		
Bank and other borrowings	\$ 110,538	\$ 128,396
Corporate bonds	18,088	28,483
Lease liabilities	2,967	3,106
Others	825	12
	<u>\$ 132,418</u>	<u>\$ 159,997</u>

(XXXI) Expenses by nature

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Employee benefits expenditure	\$ 225,027	\$ 271,256
Depreciation	375,530	369,428
Amortization	8,240	19,476
	<u>\$ 608,797</u>	<u>\$ 660,160</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Employee benefits expenditure	\$ 471,390	\$ 609,162
Depreciation	759,286	726,728
Amortization	18,480	38,958
	<u>\$ 1,249,156</u>	<u>\$ 1,374,848</u>

(XXXII) Employee benefits expenditure

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Payroll expenses	\$ 186,013	\$ 219,476
Labor and health insurance fees	15,967	22,353
Pension expense	9,735	12,491
Other personnel expenses	13,312	16,936
	<u>\$ 225,027</u>	<u>\$ 271,256</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Payroll expenses	\$ 393,676	\$ 498,195
Labor and health insurance fees	33,438	46,816
Pension expense	19,960	26,412
Other personnel expenses	24,316	37,739
	<u>\$ 471,390</u>	<u>\$ 609,162</u>

1. According to the Articles of Incorporation, the Company shall distribute no less than 10% of the current year's profit as employee compensation, of which no less than 10% shall be distributed to entry-level employee compensation, and no more than 2% of the current year's profit as directors' remuneration. However, profits must first be taken to offset against cumulative losses, if any.
2. As the Company still had accumulated deficits for the six months ended June 30, 2026 and 2025, no employee compensation or directors' remuneration was accrued.

The 2025 remuneration for employees and directors as resolved by the Board of Directors is consistent with the amounts recognized in the 2025 financial statements.

Information about employees remuneration and director remuneration of the Company as resolved by the Board of Directors is available on the MOPS.

(XXXIII) Income tax

1. Income tax expense

Components of income tax expense:

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Current tax:		
Current tax on profits for the year	\$ 21,731	\$ 1,138
Over provision of prior year's income tax	(1,842)	-
Total current tax	<u>19,889</u>	<u>1,138</u>
Deferred income tax:		
Origination and reversal of temporary differences	(2,925)	(7,295)
Total Deferred Income Tax	<u>(2,925)</u>	<u>(7,295)</u>
Income tax expense (benefit)	<u>\$ 16,964</u>	<u>(\$ 6,157)</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Current tax:		
Current tax on profits for the year	\$ 27,567	\$ 7,496
Over provision of prior year's income tax	(1,842)	-
Total current tax	<u>25,725</u>	<u>7,496</u>
Deferred income tax:		
Origination and reversal of temporary differences	1,593	1,153
Total Deferred Income Tax	<u>1,593</u>	<u>1,153</u>
Income Tax Expense	<u>\$ 27,318</u>	<u>\$ 8,649</u>

2. The Company's income tax returns up to and including 2023 have been assessed and approved by the tax authority.

(XXXIV) Earnings (loss) per share

	April 1 to June 30, 2026		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (in dollars)
<u>Earnings per share</u>			
Profit attributable to ordinary shareholders			
Parent Company	\$ 39,438		\$ 0.121
Predecessor interests under common control	-		-
	<u>\$ 39,438</u>	<u>327,033</u>	<u>\$ 0.121</u>
<u>Diluted Earnings per share</u>			
Profit attributable to ordinary shareholders			
Parent Company	\$ 39,438	327,033	
Predecessor interests under common control	-		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	<u>211</u>	<u>1,332</u>	
Profit attributable to ordinary shareholders			
Parent Company	39,649		\$ 0.121
Predecessor interests under common control	-		-
	<u>\$ 39,649</u>	<u>328,365</u>	<u>\$ 0.121</u>
	April 1 to June 30, 2025		
	Amount after tax	Weighted average share outstanding (thousand shares)	Loss per share (in dollars)
<u>Basic loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	<u>(\$ 395,782)</u>	<u>213,663</u>	<u>(\$ 1.85)</u>

	January 1 to June 30, 2026		
	Amount after tax	Weighted average share outstanding (thousand shares)	Earnings per share (in dollars)
<u>Earnings per share</u>			
Profit attributable to ordinary shareholders			
Parent Company	\$ 188,945		\$ 0.616
Predecessor interests under common control	(1,141)		(0.004)
	<u>\$ 187,804</u>	<u>306,591</u>	<u>\$ 0.612</u>
<u>Diluted Earnings per share</u>			
Profit attributable to ordinary shareholders			
Parent Company	\$ 188,945	306,591	
Predecessor interests under common control	(1,141)		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	<u>446</u>	<u>1,332</u>	
Profit attributable to ordinary shareholders			
Parent Company	189,391		\$ 0.615
Predecessor interests under common control	(1,141)		(0.004)
	<u>\$ 188,250</u>	<u>307,923</u>	<u>\$ 0.611</u>
	January 1 to June 30, 2025		
	Amount after tax	Weighted average share outstanding (thousand shares)	Loss per share (in dollars)
<u>Basic and diluted loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	<u>(\$ 652,717)</u>	<u>213,663</u>	<u>(\$ 3.05)</u>

The weighted average number of shares outstanding for the periods from April 1 to June 30, 2026 and 2025 and from January 1 to June 30, 2026 and 2025 has been reduced by the number of the Company's shares held by the Company and its subsidiary, Goke Holdings Co., Ltd., which are deemed treasury shares (the number of shares is calculated based on the Company's shareholding ratio). In addition, as losses were incurred for the periods from April 1 to June 30, 2025 and from January 1 to June 30, 2025, there was no dilutive effect from potential ordinary shares, and diluted loss per share was equal to basic loss per share.

(XXXV) Organizational restructuring under common control

	December 31, 2025		June 30, 2025	
	Recorded amount	Shareholding percentage	Recorded amount	Shareholding percentage
Predecessor interests under common control				
- LUMAPURE CO., LTD.	<u>\$ 7,068</u>	0%	<u>\$ -</u>	0%

1. To integrate the Group's resources, on February 13, 2026, Innova Vision Inc., a subsidiary of the Group, acquired 100% equity interests in LUMAPURE CO., LTD. from an associate, Spectrum Electrics Corporation, for NT\$6,000 in cash, and obtained control over LUMAPURE CO., LTD. As Innova Vision Inc. and Spectrum Electrics Corporation are both subsidiaries of the ultimate parent company, Star Fusion Group Co., Ltd., the transaction was an organizational restructuring under common control. Therefore, the acquisition was deemed to have occurred from August 1, 2025, the date on which the Group came under control, and the consolidated financial reports for the comparative periods were retrospectively restated.
2. The information on the consideration paid for the acquisition of LUMAPURE CO., LTD., and the carrying amounts of the assets acquired and liabilities assumed as of the acquisition date, was as follows:

	February 13, 2026
Acquisition consideration	
Cash	<u>\$ 6,000</u>
Less: Book value of acquired identifiable assets and assumed liabilities	
Cash and Cash Equivalents	6,173
Accounts Receivables	45
Prepayments	347
Other Current Assets	70
Refundable Deposit	525
Other payables	(1,111)
Other Current Liabilities	<u>(49)</u>
Total identifiable net assets	<u>6,000</u>
Increase (decrease) in capital surplus	<u>\$ -</u>

(XXXVI) Supplemental cash flow information

1. Investing activities with partial cash payments:

	January 1 to June 30, 2026	January 1 to June 30, 2025
Purchase of property, plant and equipment	\$ 222,422	\$ 905,116
Add: Prepayments for equipment at the end of the period	416,923	357,813
Beginning balance of payable on equipment	248,269	649,734
Less: Prepayments for equipment at the beginning of the period	(301,276)	(427,812)
Ending balance of payable on equipment	(289,967)	(526,137)
Cash paid during the year	<u>\$ 296,371</u>	<u>\$ 958,714</u>

2. Investing activities with no cash flow effects:

	June 30, 2026	June 30, 2025
Dividends receivable (recorded under “other receivables”):	<u>\$ 86,518</u>	<u>\$ -</u>

3. The Group lost control over its subsidiary, Moment Semiconductor, Inc., on October 14, 2025. Please refer to Notes 4(3) and 6(7) for details. Information on the assets and liabilities of the subsidiary is as follows:

	October 14, 2025
Cash and Cash Equivalents	6,881
Accounts Receivables (Net)	18,253
Other Receivables	1,063
Inventories	50,385
Prepayments	1,020
Other Current Assets	14
Property, plant and equipment	401
Right-of-use Asset	305
Other Non-Current Assets	2,412
Short Term Loans	(75,664)
Contract Liabilities - Current	(82)
Accounts Payable	(17,021)

Other Payables	(	4,457)
Lease Liability - Current	(	153)
Long-term borrowings due within one year or one business cycle	(	18,132)
Other Current Liabilities - Other	(	537)
Long-term Loans	(	8,351)
Total identifiable net assets	(	43,663)
Non-controlling Interests		20,183
Goodwill		23,706
Fair value of investments accounted for under the equity method	(	17,109)
Gain (loss) on disposal of investments	(\$	16,883)

(XXXVII) Changes in liabilities arising from financing activities

	Short Term Loans	Corporate bonds payable	Long-term borrowings (including current portion)	Lease liabilities	Guarantee Deposits Received	Total liabilities arising from financing activities
January 1, 2026	\$ 4,831,971	\$ 2,094,092	\$ 3,973,572	\$ 404,409	\$ 704	\$ 11,304,748
Change in cash flow from financing activities	(450,445)	-	(1,284,367)	(22,316)	12,875	(1,744,253)
Interest Expenses	-	18,088	-	2,967	-	21,055
Interest Paid	-	-	-	(2,967)	-	(2,967)
Other Non-Cash Transactions	-	(16,930)	(2)	17,967	-	1,035
June 30, 2026	<u>\$ 4,381,526</u>	<u>\$ 2,095,250</u>	<u>\$ 2,689,203</u>	<u>\$ 400,060</u>	<u>\$ 13,579</u>	<u>\$ 9,579,618</u>

	Short Term Loans	Corporate bonds payable	Long-term borrowings (including current portion)	Lease liabilities	Guarantee Deposits Received	Total liabilities arising from financing activities
January 1, 2025	\$ 6,200,355	\$ 3,609,156	\$ 4,315,087	\$ 437,398	\$ 34,812	\$ 14,596,808
Change in cash flow from financing activities	(1,404,386)	-	(17,832)	(21,791)	(33,859)	(1,477,868)
Interest Expenses	-	28,483	-	3,106	-	31,589
Interest Paid	-	-	-	(3,106)	-	(3,106)
Other Non-Cash Transactions	(7,106)	(19,129)	10,629	(5,930)	-	(21,536)
June 30, 2025	<u>\$ 4,788,863</u>	<u>\$ 3,618,510</u>	<u>\$ 4,307,884</u>	<u>\$ 409,677</u>	<u>\$ 953</u>	<u>\$ 13,125,887</u>

VII. Related Party Transactions

(I) Related parties' names and relationship

The Company is controlled by LUMINOUS RISE INVESTMENT CO., LTD., which holds 17.27% of the Company's shares. The ultimate controlling party of the Company is Star Fusion Group Co., Ltd.

(II) Parent company and ultimate controlling party

<u>Name of the related parties</u>	<u>Relationship with the Group</u>
Star Fusion Group Co. Ltd.	Parent company
Weida Hi-Tech Co., Ltd.	Affiliates
TrueLight Corporation	Affiliates
YLTLINK Technology Corporation	Affiliate (Note)
BKS Tec Corp.	Affiliates
Moment Semiconductor, Inc.	Affiliates
Spectrum Electrics Corporation	Fellow subsidiary
Chander Electronics Corp.	Fellow subsidiary
SAN JIANG ELECTRIC MFG. CO., LTD.	Fellow subsidiary
Yu Chuan Intelligence Co., Ltd.	Fellow subsidiary
Yun Fang Co., Ltd.	Fellow subsidiary
Zhu International Group Inc.	Fellow subsidiary
Global Angel Investments Limited	Other related party
Ontario Capital Co., Ltd.	Other related party
Taiwan Mask Charity Foundation	Other related party

Note: Investments accounted for under the equity method - Subsidiary of TrueLight Corporation.

(III) Significant transactions with the related parties

1. Operating revenue

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Product sales:		
Affiliates/Fellow subsidiary	<u>\$ 2,568</u>	<u>\$ 61</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Product sales:		
Affiliates/Fellow subsidiary	<u>\$ 5,609</u>	<u>\$ 1,784</u>

There are no major abnormalities in the transaction prices and payment terms of the related party compared to that of non-related parties.

2. Account receivable from related parties.

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Accounts Receivables:			
Affiliates/Fellow subsidiary	\$ 1,611	\$ 3,251	\$ 72
Other Receivables:			
Affiliates/other related party	6,077	5,608	2,024
Total	<u>\$ 7,688</u>	<u>\$ 8,859</u>	<u>\$ 2,096</u>

3. Account payable from related parties

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Other Payables:			
Parent company	<u>\$ 318</u>	<u>\$ 26</u>	<u>\$ -</u>

4. Acquisition of financial assets

	Account item	Number of shares traded	June 30, 2026 Acquisition price
BKS Tec Corp.	Investment under equity method	2,000,000	\$ 10,000
Yu Chuan Intelligence Co., Ltd.	Financial assets at fair value through other comprehensive profit and loss	4,500,000	45,000

January 1 to June 30, 2025 and December 31, 2025: None.

5. Others

(1) Deposits Received:

	June 30, 2026	December 31, 2025	June 30, 2025
Affiliates	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 118</u>

(2) Prepayment for purchase

	June 30, 2026	December 31, 2025	June 30, 2025
Affiliates	<u>\$ 83</u>	<u>\$ -</u>	<u>\$ -</u>

(3) Rent income:

The Group leased offices and plant premises to its associate, BKS Tec Corp. The lease terms were three months and one year, respectively, and the rent was paid on the payment dates agreed in the lease agreements.

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Affiliates	<u>\$ 15</u>	<u>\$ 971</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Affiliates	<u>\$ 413</u>	<u>\$ 1,933</u>

(4) Other income

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Affiliates/Fellow subsidiary	<u>\$ 817</u>	<u>\$ 608</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Affiliates/Fellow subsidiary	<u>\$ 990</u>	<u>\$ 1,177</u>

(5) Rent expenditure

For the three months ended June 30, 2026 and the six months ended June 30, 2026, the Group leased offices from fellow subsidiaries/other related parties. The rent was paid monthly by remittance.

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Fellow subsidiary/Other related party	<u>\$ 309</u>	<u>\$ -</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Fellow subsidiary/Other related party	<u>\$ 504</u>	<u>\$ -</u>

(6) Other expenditure

	<u>April 1 to June 30, 2026</u>	<u>April 1 to June 30, 2025</u>
Parent company/Fellow subsidiary	<u>\$ 1,786</u>	<u>\$ -</u>
	<u>January 1 to June 30, 2026</u>	<u>January 1 to June 30, 2025</u>
Parent company/Fellow subsidiary	<u>\$ 1,864</u>	<u>\$ -</u>

(7) For the six months ended June 30, 2026 and 2025, the Company donated NT\$0 and NT\$402, respectively, in cash to the Taiwan Mask Charity Foundation.

6. Loaning of funds to related parties

Loans from related parties:

(1) Closing balance (recorded as "short-term borrowings")

	June 30, 2026	December 31, 2025	June 30, 2025
Ontario Capital Co., Ltd.	\$ 31,241	\$ 77,494	\$ 106,876

(2) Interest expenses

	April 1 to June 30, 2026	April 1 to June 30, 2025
Ontario Capital Co., Ltd.	\$ 505	\$ 737
	January 1 to June 30, 2026	January 1 to June 30, 2025
Ontario Capital Co., Ltd.	\$ 1,073	\$ 1,513

The conditions for borrowing from related parties are that the interest is paid monthly at an annual interest rate of 2.7% after the loan is disbursed, and the principal is repaid at maturity. The borrowing period is from March 31, 2024 to November 25, 2026.

(IV) Compensation of key management personnel

	April 1 to June 30, 2026	April 1 to June 30, 2025
Salary and short-term employee benefits	\$ 8,320	\$ 7,033
Post-employment benefits	-	27
Total	\$ 8,320	\$ 7,060
	January 1 to June 30, 2026	January 1 to June 30, 2025
Salary and short-term employee benefits	\$ 17,439	\$ 15,595
Post-employment benefits	-	54
Total	\$ 17,439	\$ 15,649

VIII. Pledged assets

Assets pledged by the Corporate Group as collateral are as follows:

Assets	Book value			Purpose
	June 30, 2026	December 31, 2025	June 30, 2025	
Demand deposit (Recognized as "Financial assets at amortized cost")	\$ 387,178	\$ 506,759	\$ 437,163	Short-term borrowings, reserve accounts, and corporate bond guarantee
Time deposit (Recognized as "Financial assets at amortized cost")	1,014,300	730,806	310,421	Short-term borrowings, customs duty guarantees, and lease deposits
Stocks of publicly traded and OTC companies (recognized as "Financial assets at fair value through profit or loss")	1,640,816	1,724,629	1,939,591	Short Term Loans
Shares of the Company (recognized as "treasury stock") (Note)	308,791	439,707	493,070	Short Term Loans
Buildings and structures (including land)	337,505	1,154,589	1,199,263	Long-term Loans
Machinery and equipment and equipment under acceptance	5,238,294	5,324,859	4,087,578	Long- and short-term loans
Real estate investment	44,844	178,933	180,797	Long- and short-term loans
Non-current assets held for sale	981,169	-	-	Long-term Loans
Other equipment	19,373	40,888	26,040	Long-term Loans
Intangible assets	-	-	817	Long-term Loans
Refundable Deposit				Long-term loans and lease deposits
	<u>3,000</u>	<u>14,900</u>	<u>-</u>	
	<u>\$ 9,975,270</u>	<u>\$ 10,116,070</u>	<u>\$ 8,674,740</u>	

Note: The cost of pledged treasury stocks was NT\$308,791 and its fair value was NT\$1,102,360 as of June 30, 2026.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

(I) Contingencies

None.

(II) Commitments

1. Capital expenditures that have been signed but not yet incurred

	June 30, 2026	December 31, 2025	June 30, 2025
Property, plant and equipment	<u>\$ 642,413</u>	<u>\$ 642,669</u>	<u>\$ 476,381</u>

2. Lease agreement

Please see Note 6 (9) and (10)

X. Losses due to major disasters

None.

XI. Major Events after Financial Statement Date

Please see Note 6 (14)

XII. Others

(I) Capital management

There was no significant change in the reporting period. Please refer to Note 12 in the 2025 consolidated financial statements.

(II) Financial instruments

1. Types of financial instrument

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
<u>Financial assets</u>			
Financial Assets at Fair Value Through Profit or Loss			
Mandatory financial assets at fair value through profit or loss	<u>\$ 2,019,318</u>	<u>\$ 1,964,299</u>	<u>\$ 2,158,891</u>
Financial assets at fair value through other comprehensive profit and loss	<u>\$ 45,000</u>	<u>\$ -</u>	<u>\$ -</u>
Financial assets measured at amortized cost			
Cash and Cash Equivalents	\$ 1,556,253	\$ 862,276	\$ 935,523
Financial assets measured at amortized cost	1,526,184	1,251,869	860,599
Notes Receivables	27,442	20,841	11,692
Accounts receivable (Including related parties)	1,041,342	921,459	1,029,611
Other account receivable (Including related parties)	123,172	48,893	31,140
Refundable Deposit	31,231	37,845	59,528
	<u>\$ 4,305,624</u>	<u>\$ 3,143,183</u>	<u>\$ 2,928,093</u>

	June 30, 2026	December 31, 2025 (Restated)	June 30, 2025
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities designated at fair value through profit or loss	\$ 55,000	\$ 25,000	\$ -
Financial liabilities mandatorily measured at fair value through profit or loss	-	-	30,694
	<u>\$ 55,000</u>	<u>\$ 25,000</u>	<u>\$ 30,694</u>
Financial liabilities at amortized cost			
Short Term Loans	\$ 4,381,526	\$ 4,831,971	\$ 4,788,863
Notes Payable	-	-	44,956
Accounts Payable	380,980	417,983	379,160
Other accounts payable (Including related parties)	869,492	970,917	1,375,568
Corporate bonds payable (Mature within one year)	2,095,250	2,094,092	3,618,510
Long-term borrowings (including current portion)	2,689,203	3,973,572	4,307,884
Guarantee Deposits Received	13,579	704	953
	<u>\$ 10,430,030</u>	<u>\$ 12,289,239</u>	<u>\$ 14,515,894</u>
Lease liabilities	<u>\$ 400,060</u>	<u>\$ 404,409</u>	<u>\$ 409,677</u>

2. Risk management policies

- (1) The Group's activities expose it to a variety of financial risks, including market risk (exchange rate, interest rate and price), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and performance.
- (2) Risk management is carried out by a central finance department (Group finance) under policies approved by the Board of Directors. Group finance identifies, evaluates and hedges financial risks in close collaboration with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as currency exchange risk, interest rate risk, credit risk, the use of derivatives and non-derivative financial instruments and investment of excess liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

A. Foreign exchange risk

The Group's operations involve certain non-functional currencies (the Company's and certain subsidiaries' functional currency is the New Taiwan dollar (NTD), and for other certain subsidiaries, the functional currency is the US Dollars, Japanese Yen and China's Renminbi (RMB)), so it is subject to the impact of exchange rate fluctuation. The details of assets and liabilities denominated in foreign currencies whose values that would be materially affected by exchange rate fluctuations are as follows:

	June 30, 2026			
(Foreign currency: functional currency)	Foreign currency (in thousand)		Exchange rate	Book value (NT\$ in thousands)
Financial assets				
<u>Monetary items</u>				
USD: NTD	USD	31,633	31.850	\$ 1,007,511
RMB: NTD	CNY	16,834	4.690	78,951
JPY: NTD	JPY	206,730	0.196	40,519
Euro: NTD	EUR	152	36.290	5,516
Financial liabilities				
<u>Monetary items</u>				
USD: NTD	USD	7,448	31.850	237,219
RMB: NTD	CNY	416	4.690	1,951
JPY: NTD	JPY	1,090,798	0.196	213,796
Euro: NTD	EUR	304	36.290	11,032

December 31, 2025 (Restated)					
(Foreign currency: functional currency)	<u>Foreign currency (in thousand)</u>		<u>Exchange rate</u>	<u>Book value (NT\$ in thousands)</u>	
Financial assets					
<u>Monetary items</u>					
USD: NTD	USD	23,304	31.430	\$	732,445
RMB: NTD	CNY	19,232	4.496		86,467
JPY: NTD	JPY	175,866	0.201		35,349
Financial liabilities					
<u>Monetary items</u>					
USD: NTD	USD	11,369	31.430		357,328
RMB: NTD	CNY	1,183	4.496		5,320
JPY: NTD	JPY	1,072,463	0.201		215,565
Euro: NTD	EUR	1,169	36.900		43,136

June 30, 2025					
(Foreign currency: functional currency)	Foreign currency (in thousand)		Exchange rate	Book value (NT\$ in thousands)	
Financial assets					
<u>Monetary items</u>					
USD: NTD	USD	29,195	29.300	\$	859,119
RMB: NTD	CNY	37,025	4.091		151,471
JPY: NTD	JPY	217,681	0.2034		44,275
Financial liabilities					
<u>Monetary items</u>					
USD: NTD	USD	16,338	29.300		480,709
JPY: NTD	JPY	1,151,653	0.2034		234,289
Euro: NTD	EUR	3,242	34.35		111,349

B. Total exchange gains (losses), including realized and unrealized gains (losses) from significant foreign exchange variations on monetary items held by the Group amounted to NT\$6,170 and (NT\$56,236) for the periods between April 1 and June 30, 2026 and 2025 and NT\$21,012 and (NT\$64,477) for the periods between January 1 and June 30, 2026 and 2025, respectively.

C. The analysis of foreign currency risk due to significant exchange rate fluctuation is as follows:

January 1 to June 30, 2026				
(Foreign currency: functional currency)	Sensitivity Analysis			
	Fluctuation	Effect on profit or loss	Other comprehensive profit and loss affected	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD: NTD	1%	\$ 10,075	\$	-
RMB: NTD	1%	790		-
JPY: NTD	1%	405		-
Euro: NTD	1%	55		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD: NTD	1%	(2,372)		-
RMB: NTD	1%	(20)		-
JPY: NTD	1%	(2,138)		-
Euro: NTD	1%	(110)		-

January 1 to June 30, 2025				
(Foreign currency: functional currency)	Sensitivity Analysis			
	Fluctuation	Effect on profit or loss	Other comprehensive profit and loss affected	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD: NTD	1%	\$ 8,591	\$	-
RMB: NTD	1%	1,515		-
JPY: NTD	1%	443		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD: NTD	1%	(4,807)		-
JPY: NTD	1%	(2,343)		-
Euro: NTD	1%	(1,113)		-

Price risk

- A. The equity instruments owned by the Company exposing to the price risk are financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.
- B. The Group invests primarily in equity instruments issued by domestic and foreign companies. The price of such equity instruments is subject to the uncertainty of the future value of the investment target. If the price of such equity instrument

increases or decreases by 1%, while all other factors remain unchanged, the net profit (loss) after tax affected by equity instruments at fair value through profit or loss for the periods between January 1 and June 30, 2026 and 2025 is an increase or decrease of NT\$8,077 and NT\$8,636, respectively; as for the other comprehensive income classified as equity instruments at fair value through other comprehensive income, it is NT\$180 and NT\$0, respectively.

Cash flow and fair value interest rate risk

- A. The Group's interest rate risk mainly comes from long-term borrowings issued at floating rates, which exposes the Group to cash flow interest rate risk. For the periods between January 1 and June 30, 2026 and 2025, the Group's borrowings issued at floating rates were mainly denominated in New Taiwan dollars and US dollars.
- B. The Group's borrowings are measured at amortized cost, and the annual interest rate is re-priced according to the contract, which exposes the Group to the risk of future market interest rate changes.
- C. If the long- and short-term borrowing rates increase or decrease by 0.25%, while all other factors remain constant, the net profit after tax for the periods between January 1 and June 30, 2026 and 2025 is a decrease or increase of NT\$7,040 and NT\$9,097, respectively, mainly due to the interest expense changes caused by the floating interest rate.

(2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments under contract obligations, and the defaults are accounts receivable and the contract cash flow from debt instruments measured at amortized cost, measured at fair value through other comprehensive income and at fair value through profit or loss.
- B. The management of credit risk is established with a Group perspective. Only the banks and financial institutions with an independent credit rating of at least "A" can be accepted as transaction partners of the Group. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
- C. The Group considers a contract payment overdue in accordance with the agreed payment terms a breach of contract.
- D. The Group uses IFRS 9 to provide the following assumption as a basis for determining whether there is a significant increase in the credit risk of financial instruments after the original recognition:
 - (A) If the contract payment is overdue for more than 30 days in accordance with the agreed payment terms, the credit risk of the financial asset is significantly increased since the original recognition.
 - (B) For bond investments in Taipei Exchange, if any external rating agency rates

it as an investment grade on the balance sheet date, the credit risk of the financial asset is considered low.

- E. The Group uses the following indicators to determine the status of credit impairments of debt instruments:
- (A) The issuer has suffered significant financial difficulties or is likely to enter bankruptcy or other financial restructuring.
 - (B) The issuer has suffered significant financial difficulties or is likely to enter bankruptcy or other financial restructuring.
 - (C) The issuer delays or does not pay for the interest or principal.
 - (D) Unfavorable changes in the national- or regional-level economic situation resulting in the issuer's default.
- F. The Group categorizes the accounts receivable from customers based on the characteristics of trade credit risks. The simplified approach is adopted for estimating the expected credit loss based on the provision matrix.
- G. The Group may write off the amount of financial assets that cannot be reasonably expected to be recovered after recourse. However, the Group will continue the recourse to protect the rights of the claims.
- H. The Group has incorporated forward-looking considerations to adjust the loss rate derived from historic and current data in order to estimate the loss allowance of notes, accounts receivable and contract assets. The provision matrix for the periods ended June 30, 2026, December 31 and June 30, 2025 is shown as follows:

	<u>Not past due</u>	<u>Up to 30 days</u>	<u>31-90 days</u>	<u>91-180 days</u>	<u>More than 181 days past due</u>	<u>Total</u>
<u>June 30, 2026</u>						
Expected loss rate	0.01%	0.01%~23.55%	9.76%~53.42%	25.24%~93.02%	73.3%~100%	
Total book value	\$ 1,014,392	\$ 93,794	\$ 16,359	\$ 4,825	\$ 103,233	\$ 1,232,603
Loss allowance	-	-	(1,596)	(2,183)	(93,607)	(97,386)
<u>December 31, 2025</u>						
<u>(Restated)</u>						
Expected loss rate	0.01%	0.01~24.76%	7.06~56.63%	23.11~97.55%	69.84~100%	
Total book value	\$ 915,790	\$ 80,177	\$ 20,330	\$ 8,559	\$ 87,230	\$ 1,112,086
Loss allowance	-	-	(1,436)	(1,978)	(87,230)	(90,644)
	<u>Not past due</u>	<u>Up to 30 days</u>	<u>31-90 days</u>	<u>91-180 days</u>	<u>More than 181 days past due</u>	<u>Total</u>
<u>June 30, 2025</u>						
Expected loss rate	0.01%	0.01~26.57%	0.01~76.79%	66.68~100%	27.72~100%	
Total book value	\$ 923,045	\$ 128,577	\$ 32,641	\$ 9,835	\$ 118,380	\$ 1,212,478
Loss allowance	-	-	(2,601)	(3,289)	(104,860)	(110,750)

- I. The Group adopts a simplified method in which the loss allowance for the accounts receivable is shown as follows:

	2026	2025
January 1	\$ 90,644	\$ 110,762
Recognize impairment loss	5,892	6,585
Amounts written off as uncollectible	-	(6,273)
Impact from exchange rate	850	(324)
June 30	<u>\$ 97,386</u>	<u>\$ 110,750</u>

(3) Liquidity risk

- A. Cash flow forecasting is performed by the operating entities of the Corporate Group and aggregated by the Group's treasury department. The Group's Finance Department monitors the forecasts of the Group's demand for working capital to ensure that it has sufficient funds to meet operational needs, and maintains sufficient unspent loan commitments at all times so that the Group will not exceed the relevant borrowing limits or violate the terms. These forecasts consider the Group's debt financing plan, compliance with debt terms, and compliance with the financial ratio objectives of the internal balance sheet.
- B. The remaining cash held by each operating entity will be transferred back to the Group's finance department. The finance department of the Group invests the remaining funds in interest-bearing demand deposits, time deposits, and financial assets at amortized cost (time deposits with maturities of more than 3 months and less than 12 months). The instruments selected have appropriate maturities or sufficient liquidity to respond to the abovementioned forecasts and provide sufficient liquidity headroom. As of June 30, 2026, December 31, 2025 (restated), and June 30, 2025, the money market positions held by the Group were NT\$3,058,965, NT\$2,081,926, and NT\$1,796,122, respectively, and were expected to generate immediate cash flows to manage liquidity risk.
- C. The Group's unutilized borrowings are shown as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Floating rate			
Short-term credit limits	\$ 580,974	\$ 479,089	\$ 753,316
Medium to long-term credit limits	15,000	40,000	-
Fixed rate			
Medium to long-term credit limits	-	-	44,493
	<u>\$ 595,974</u>	<u>\$ 519,089</u>	<u>\$ 797,809</u>

D. The following table shows the Group's non-derivative financial liabilities and derivative financial liabilities settled on a net or total amount, grouped according to the relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
June 30, 2026				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$4,448,444	\$ -	\$ -	\$ -
Accounts Payable	380,980	-	-	-
Other accounts payable (including related parties)	869,492	-	-	-
Lease liabilities	41,767	34,920	77,084	253,621
Corporate bonds payable (Mature within one year)	136,160	729,310	1,335,245	-
Long-term borrowings (including current portion)	1,508,549	563,330	647,282	79,016
Guarantee Deposits Received	12,862	717	-	-
	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
December 31, 2025 (Restated)				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$4,912,505	\$ -	\$ -	\$ -
Accounts Payable	417,983	-	-	-
Other Payables	970,917	-	-	-
Lease liabilities	43,780	35,770	78,062	296,326
Corporate bonds payable (Mature within one year)	136,160	736,010	1,357,240	-
Long-term borrowings (including current portion)	1,675,738	1,212,731	1,045,006	228,914
Guarantee Deposits Received	-	704	-	-
	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
June 30, 2025				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$4,836,238	\$ -	\$ -	\$ -
Notes Payable	44,956	-	-	-
Accounts Payable	379,160	-	-	-
Other accounts payable (Including related parties)	1,375,568	-	-	-
Lease liabilities	38,583	21,120	73,765	315,437
Corporate bonds payable	1,679,660	38,260	2,074,120	-
Long-term borrowings (including current portion)	1,447,873	1,434,361	1,340,963	320,775
Guarantee Deposits Received	-	953	-	-

(III) Fair value information

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in stocks of publicly traded or OTC firms and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability the fair value of the Group's investment in stocks of non-publicly traded or non-OTC firms and private equity fund is included in Level 3.

2. Financial instruments not measured at fair value Cash, notes receivable, accounts receivable, other receivable, short-term borrowings, notes payable, accounts payable and other payable as reasonable approximation of fair value.
3. The related information for financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

June 30, 2026	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial Assets at Fair Value Through Profit or Loss				
Equity securities	\$ 1,838,085	\$ 42,815	\$ 138,418	\$ 2,019,318
Financial assets at fair value through other comprehensive profit and loss				
Equity securities	-	-	45,000	45,000
	<u>\$ 1,838,085</u>	<u>\$ 42,815</u>	<u>\$ 183,418</u>	<u>\$ 2,064,318</u>

Liabilities

Recurring fair value measurements

Financial liabilities at fair value through profit or loss

Convertible bonds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,000</u>	<u>\$ 55,000</u>
-------------------	-------------	-------------	------------------	------------------

December 31, 2025	Level 1	Level 2	Level 3	Total
-------------------	---------	---------	---------	-------

Assets

Recurring fair value measurements

Financial Assets at Fair Value Through Profit or Loss

Equity securities	<u>\$ 1,762,276</u>	<u>\$ 60,140</u>	<u>\$ 141,883</u>	<u>\$ 1,964,299</u>
-------------------	---------------------	------------------	-------------------	---------------------

LiabilitiesRecurring fair value measurements

Financial liabilities at fair value
through profit or loss

Convertible bonds	\$ -	\$ -	\$ 25,000	\$ 25,000
June 30, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>

AssetsRecurring fair value measurements

Financial Assets at Fair Value
Through Profit or Loss

Equity securities	\$ 1,955,622	\$ 63,330	\$ 139,939	\$ 2,158,891
-------------------	--------------	-----------	------------	--------------

LiabilitiesRecurring fair value measurements

Financial liabilities at fair value
through profit or loss

Convertible bond call/put options	\$ -	\$ -	\$ 30,694	\$ 30,694
-----------------------------------	------	------	-----------	-----------

4. The methods and assumptions adopted by the Group for assessing the fair value are as follows:

- (1) The Group adopt market pricing as the input of fair value (i.e. Level 1), and the breakdown of the characteristics of the instrument is as follows:

	<u>Shares of listed and OTC company</u>	<u>Open-end funds</u>
Market price	Closing price	Net Value

- (2) Except for the abovementioned financial instruments with active markets, the fair value of the remaining financial instruments is obtained using valuation techniques. The fair value obtained through valuation techniques can refer to the current fair value of other financial instruments with similar substantive conditions and characteristics, discounted cash flow method, or other valuation techniques, including the use of market information available on the date of the consolidated balance sheet (for example, the Taipei Exchange refers to the yield curve, the Reuters adopts the average quotation of interest rate of commercial promissory notes).
- (3) The output of the valuation model is the estimated value, and the valuation technique may not reflect all the relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated value of the valuation model will be appropriately adjusted according to additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policies and related control procedures, the management believes that in order to properly express the fair value of financial instruments and non-financial instruments in the consolidated balance sheet, valuation adjustments are appropriate and necessary. The price information and parameters used in the valuation process are

carefully assessed and appropriately adjusted according to current market conditions.

- (4) The Group incorporates credit risk valuation adjustments into the consideration of the fair value of financial instruments and non-financial instruments to reflect counterparty credit risk and the credit quality of the Group, respectively.
5. There were no transfers between Level 1 and 2 in the periods between January 1 and June 30, 2026 and 2025.
6. The following table shows the changes in Level 3 in the periods between January 1 and June 30, 2026 and 2025:

	Financial instruments
January 1, 2026	\$ 116,883
Acquisition assets of the period	55,000
Acquisition liabilities of the period	(30,000)
Return of capital by investee company	(14,396)
Impact from exchange rate	931
June 30, 2026	<u>\$ 128,418</u>

	Financial instruments
January 1, 2025	\$ 110,517
Acquisition assets of the period	15,000
Recognized in profit or loss of the period	(11,490)
Sold in this period	(2,925)
Impact from exchange rate	(1,857)
June 30, 2025	<u>\$ 109,245</u>

7. As Image Match Design Inc. was officially listed on the Emerging Stock Board on March 10, 2025, and trading volume in the market increased steadily, sufficient observable market information became available. Accordingly, the Group transferred the fair value measurement from Level 3 to Level 2 at the end of the month in which the event occurred.
8. The quantitative information about the significant unobservable input value of the valuation model and the sensitivity analysis of the significant unobservable input value change used in the Level 3 fair value measurements are explained as follows:

June 30, 2026

	Fair value	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Relationship between inputs and fair value
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 138,418	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Preferred shares of non-listed and non- OTC company	45,000	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Hybrid instruments					
Convertible bonds	(55,000)	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

December 31, 2025

	Fair value	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Relationship between inputs and fair value
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 141,883	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Hybrid instruments					
Convertible bonds	(25,000)	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

June 30, 2025

	Fair value	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Relationship between inputs and fair value
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 139,939	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Convertible bond call/put options	(30,694)	Convertible bond evaluation model	Stock price volatility	43.34%	The higher the stock price volatility, the higher the fair value

9. The Corporate Group has carefully assessed the valuation models and parameters used to measure fair value. However, use of different valuation models or parameters may result in different measurement. For financial assets or liabilities classified in Level 3, changes in valuation parameters have the following impacts on the income or other comprehensive income of the period:

			June 30, 2026			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Changes	Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets						
Equity instruments	Net asset value	±1%	\$ 1,384	(\$ 1,384)	\$ 450	\$ 1,384
Debt	Net asset value	±1%	(550)	550	-	(550)
			<u>\$ 834</u>	<u>(\$ 834)</u>	<u>\$ 450</u>	<u>\$ 834</u>
			December 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Changes	Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets						
Equity instruments	Net asset value	±1%	\$ 1,419	(\$ 1,419)	\$ -	\$ -
Debt	Net asset value	±1%	(250)	250	-	-
			<u>\$ 1,169</u>	<u>(\$ 1,169)</u>	<u>\$ -</u>	<u>\$ -</u>
			June 30, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Changes	Favorable changes	Adverse changes	Favorable changes	Adverse changes
Financial assets						
Equity instruments	Net asset value	±1%	\$ 1,399	(\$ 1,399)	\$ -	\$ -
Debt	Stock price volatility	±1%	20	(20)	-	-
			<u>\$ 1,419</u>	<u>(\$ 1,419)</u>	<u>\$ -</u>	<u>\$ -</u>

(IV) Sound operational improvement plan

As of June 30, 2026, the Group's debt ratio and current ratio were 66% and 87%, respectively, indicating that its financial structure had improved compared with the previous period. To continue strengthening its financial structure, the Group continues to implement a sound operating plan covering funding, operations, and governance.

On the funding front, the Group continues to strengthen its fund allocation and financial structure management and has planned to dispose of certain non-core assets, which is expected to provide additional working capital, enhance liquidity, and further improve its financial structure and debt repayment capacity.

On the operational front, the Group continues to improve operating efficiency and cash collection capability by optimizing capacity allocation and controlling costs and expenses, while continuing to strengthen profitability and operational resilience.

On the governance front, the Group continues to strengthen its risk management and internal control mechanisms, regularly reports the implementation status to the Board of Directors and the Audit Committee, and reviews asset allocation and fund utilization in a timely manner based on operational needs in order to improve asset utilization efficiency and overall operating performance.

The Group believes that continuing to implement the above measures will help it further improve its financial structure and working capital position, enhance overall operating resilience and competitiveness, and ensure the Group's ability to operate sustainably and maintain long-term financial soundness.

XIII. Supplementary Disclosure

(I) Significant transactions information

1. Loans to others: Please refer to Table 1.
2. Provision of endorsements and guarantees to others: Please refer to Table 2.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, associates, and joint ventures): Please refer to Table 3.
4. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
5. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: None.
6. Business relationships and significant intercompany transactions between the parent company and subsidiaries: Please refer to Table 4.

(II) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Table 5.

(III) Information on investments in Mainland China

1. Basic information: Please refer to Table 6.
2. Significant transactions, either directly or indirectly through a third jurisdiction, with investee companies in China: Please refer to Table 4.

XIV. Segments Information

(I) General information

Management has determined the reportable operating segments based on reports reviewed by the president and used to make strategic decisions.

The Group's corporate structure, the basis for division of segments, and the basis for measurement of segment information have not changed significantly during the current period.

(II) Segments Information

Information on the reporting segments provided to the chief operating decision maker is shown as follows:

January 1 to June 30, 2026:

	Photomask and semiconductor segment	Medical segment	Total
Revenue from external clients	\$ 2,823,960	\$ 228,535	\$ 3,052,495
Segment revenue	(\$ 115,417)	(\$ 27,363)	(\$ 142,780)
Segment margin	\$ 242,439	(\$ 29,802)	\$ 212,637
Segment margin include:			
Depreciation	(\$ 707,431)	(\$ 51,855)	(\$ 759,286)
Amortization expense	(\$ 14,987)	(\$ 3,493)	(\$ 18,480)
Financial Costs	(\$ 121,671)	(\$ 10,747)	(\$ 132,418)
Interest income	\$ 6,492	\$ 244	\$ 6,736
Investments income recognized by using equity method	(\$ 17,526)	\$ -	(\$ 17,526)
Segment assets	\$ 17,264,154	\$ 1,100,813	\$ 18,364,967

January 1 to June 30, 2025:

	Photomask and semiconductor segment	Medical segment	Total
Revenue from external clients	\$ 3,030,630	\$ 187,260	\$ 3,217,890
Segment revenue	(\$ 80,594)	(\$ 7,205)	(\$ 87,799)
Segment margin	(\$ 747,658)	(\$ 68,565)	(\$ 816,223)
Segment margin include:			
Depreciation	(\$ 690,529)	(\$ 36,198)	(\$ 726,728)
Amortization expense	(\$ 30,889)	(\$ 8,069)	(\$ 38,958)
Financial Costs	(\$ 149,821)	(\$ 10,176)	(\$ 159,997)
Interest income	\$ 7,720	\$ 199	\$ 7,919
Investments income recognized by using equity method	(\$ 30,743)	\$ -	(\$ 30,743)
Segment assets	\$ 17,556,966	\$ 1,056,470	\$ 18,613,436

(III) Reconciliation for segment income

Sales between segments are conducted according to the principle of transactions at fair value. The operating revenue from external customers reported to the operating decision maker is measured in a manner consistent with that in the income statement.

The consolidated income, assets and liabilities of related segments are consistent with the consolidated income, consolidated assets and consolidated liabilities, so there is no reconciliation information.

Taiwan Mask Corporation and Subsidiaries

Loans to Others

January 1 to June 30, 2026

Table 1

Unit: NT\$ Thousand
(Unless otherwise specified)

No. (Note 1)	Company that lent funds	Borrowing party	General ledger account	Related party?	Maximum Balance for the Period	Ending balance	Amount Actually Drawn	Range of interest rate	Nature of loan	Amount of transaction with borrower	Reason for short-term financing	Amount of recognized impairment loss	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Name	Value			
0	Taiwan Mask Corporation	Ooke Holdings Co., Ltd.	Other Receivables—Related Parties	Y	\$ 45,000	\$ 45,000	\$ 45,000	2.7%	Short-term financing	\$ -	Working Capital Turnover	\$ -	Promissory note	\$ 45,000	\$ 2,461,551	\$ 2,461,551	Note 2
0	Taiwan Mask Corporation	Xomase Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables—Related Parties	Y	22,000	22,000	22,000	2.7%	Short-term financing	-	Working Capital Turnover	-	Promissory note	22,000	2,461,551	2,461,551	Note 2
1	Ooke Holdings Co., Ltd.	Xomase Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables—Related Parties	Y	300,000	300,000	300,000	2.7%	Short-term financing	-	Working Capital Turnover	300,000	Promissory note	300,000	774,687	774,687	Note 5
1	Ooke Holdings Co., Ltd.	Imnos Vision DAC.	Other Receivables—Related Parties	Y	45,000	45,000	45,000	2.7%	Short-term financing	-	Working Capital Turnover	-	Promissory note	45,000	774,687	774,687	Note 5
2	Miracle Technology CO., LTD.	Aptos Technology DAC.	Other Receivables—Related Parties	Y	170,000	170,000	170,000	2.7%	Short-term financing	-	Working Capital Turnover	170,000	Promissory note	170,000	93,234	93,234	Note 4
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	Other Receivables—Related Parties	Y	63,406	40,803	40,803	2.51%	Short-term financing	-	Working Capital Turnover	-	None	-	154,355	154,355	Note 7
4	Pilot Energy Co., Ltd.	Xomase Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables—Related Parties	Y	40,000	40,000	40,000	2.7%	Short-term financing	-	Working Capital Turnover	40,000	Promissory note	40,000	40,024	40,024	Note 6
5	ADL Energy Corp	Pilot Energy Co., Ltd.	Other Receivables—Related Parties	Y	6,500	6,500	6,500	2.7%	Short-term financing	-	Working Capital Turnover	-	Promissory note	6,500	11,242	11,242	Note 3

Note 1: The description of the number columns are as follows:

(1) Fill in "0" for the issue.

(2) The investee company is numbered in sequence starting from the Arabic numeral 1 according to company type.

Note 2: Amendment to the Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have business dealings with the Company, the loan amount of each individual borrowers shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company net value.

(3) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

(4) Inter-company loans of funds between overseas companies in which the Company owns, directly or indirectly, 100% of the voting shares, are not restricted by the abovementioned paragraphs. However, the total amount of loans and the amount of loan to a single party shall not exceed 50% of the Company's net value.

Note 3: Subsidiary - ADL Energy Corp Procedures for Lending Funds to Others:

(1) The total loan amount shall not exceed 50% of the Company's net value. However, for companies or businesses that have a short-term financing need, the loan amount of each individual borrowers shall not exceed 40% of the Company net value.

(2) In addition to the provisions in (1), the loan amount of each individual borrower of companies or businesses that have business dealings with the Company shall not exceed the amount of transactions between the two parties. The amount of business transactions refers to the higher of the amount of goods purchased or sold between the parties.

(3) In addition to the provisions in (1), in which companies or businesses have a short-term financing need, and the loan amount of each individual borrowers not exceeding 40% of the Company net value, the financing amount refers to the accumulated balance of the company's short-term financing.

(4) Inter-company loans of funds between overseas companies in which the Company owns, directly or indirectly, 100% of the voting shares, or loans to the Company from any overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares are not restricted by the abovementioned paragraphs. However, the total loan amount, limits for each individual borrower, and the period of loan should be specified.

However, the total amount of funds to be loaned and the limits for individual borrowers should be set, and the period for which funds should be loaned should be clearly defined. The total amount of loans lent between the overseas companies or to the parent company and the limit for each limit are specified as follows:

I. The total amount loans to enterprises shall not exceed 50% of the Company's net value. However, for companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed 40% of the Company net value.

II. For overseas companies that have business dealings with each other, the individual loan amount shall not exceed the amount of transactions between the two parties. The amount of business transactions refers to the higher of the amount of goods purchased or sold between the parties.

III. If there is a need for short-term financing, the loan amount of each individual borrowers shall not exceed 40% of the company's net value, and the financing amount refers to the accumulated balance of the short-term financing between overseas companies.

(5) The highest balance for the current period is the amount resolved by the board.

Note 4: Subsidiary - Miracle Technology Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have business dealings with the Company, the loan amount of each individual borrowers shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company net value.

(3) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

(4) Inter-company loans of funds between overseas companies in which the Company owns, directly or indirectly, 100% of the voting shares, are not restricted by the abovementioned paragraphs. However, the total amount of loans and the amount of loan to a single party shall not exceed 50% of the Company's net value.

Note 5: Subsidiary - Ooke Holdings Co., Ltd. Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

Note 6: Subsidiary - Pilot Energy Co., Ltd. Procedures for Lending Funds to Others:

The Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:

(1) Where an inter-company or inter-firm business transaction calls for a loan arrangement.

(2) Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40% of the lender's net worth.

Note 7: Subsidiary - Miko-China Enterprise (Shanghai) Co., Ltd. Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

Taiwan Mask Corporation and Subsidiaries

Endorsements and Guarantees to Others

January 1 to June 30, 2026

Attachment 2

Unit: NTS Thousand
(Unless otherwise specified)

Party being endorsed/guaranteed															
(Note 1)	Endorser/guarantor	Name of Company	(Note 2)	Endorsement/Guarantee	Endorsement/Guarantee	Endorsement/Guarantee	Drawn	Endorsement/Guar	Endorsement/Guarantee to Net	Endorsement/Guarantee Amount	by Parent Company	by Subsidiary to	Provided to	Note	
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	2	\$ 229,550	\$ 125,860	\$ 31,850	\$ 31,850	\$ 31,850	0.52%	\$ 2,461,551	Y	N	N	Note 3	
0	Taiwan Mask Corporation	Innova Vision INC.	2	366,849	314,000	314,000	308,000	168,000	5.10%	2,461,551	Y	N	N	Note 3	
0	Taiwan Mask Corporation	Xenise Technology Corporation (B.V.I.) Taiwan Branch	2	23,000	146,000	146,000	146,000	146,000	2.37%	2,461,551	Y	N	N	Note 3	
0	Taiwan Mask Corporation	Goke Holdings Co., Ltd.	2	366,849	360,000	360,000	230,000	230,000	5.85%	2,461,551	Y	N	N	Note 3	
0	Taiwan Mask Corporation	Pilot Energy Co., Ltd.	2	169,000	123,000	103,000	103,000	103,000	1.67%	2,461,551	Y	N	N	Note 3	
1	Goke Holdings Co., Ltd.	Xenise Technology Corporation (B.V.I.) Taiwan Branch	2	23,000	57,000	57,000	57,000	57,000	2.94%	774,687	Y	N	N	Note 5	
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Taiwan Mask Corporation	3	385,889	182,910	182,910	182,910	182,910	47.40%	385,888	N	Y	N	Note 4	
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3	385,889	56,280	56,280	56,280	56,280	14.58%	385,888	N	Y	N	Note 4	

Note 1: The description of the number columns are as follows:

- (1) Fill in "0" for the issuer.
- (2) The investee company is numbered in sequence starting from the Arabic numeral 1 according to company type.

Note 2: The relationship between the guarantor and the guarantee are one of the seven types indicated below:

- (1) A company with which it does business.
- (2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) A company that directly and indirectly holds more than 50% of the voting shares in the Company.
- (4) Companies in which the Company holds, directly or indirectly, 90%, or more of the voting shares may make endorsements/guarantees for each other.
- (5) A company that is mutually insured by a contract between peers or co-founders based on the needs of the contracted work.
- (6) A company that is guaranteed by all contributing shareholders in proportion to their shareholdings due to a joint investment relationship.
- (7) Companies that are engaged in joint and several guarantees for the performance guarantee of pre-sale housing sales contracts in accordance with the regulations of the Consumer Protection Act.

Note 3: The Company's endorsement and guarantee practices for others provide that:

- (1) The total amount of the Company's external endorsement guarantee shall not exceed 30% of the Company's paid-in capital.
- (2) The amount of business transactions refers to the higher of the amount of goods purchased or sold between the parties.
- (3) Companies with which the Company has a parent-child relationship: The endorsement and guarantee for a single enterprise shall not exceed 10% of the Company's paid-in capital and the company's paid-in capital being endorsed and guaranteed.
- (4) The aggregate amount of the endorsement and guarantee of the Company and its subsidiaries as a whole shall not exceed 40% of the net worth of the Company, of which the endorsement and guarantee of a single subsidiary shall not exceed 20% of the net worth of the Company.

Note 4: Miko-China Enterprise (Shanghai) Co., Ltd. Endorsement and Guarantee Procedures:

The total amount of endorsement guarantee liability is limited to RMB 30 million, and the amount of endorsement guarantee for a single enterprise shall not exceed RMB 30 million; however, for the parent company that directly or indirectly holds, through a subsidiary, more than 50% of the common stock equity of a company, it may endorse up to its net value.

Note 5: Subsidiary - Goke Holdings Co., Ltd. Endorsement and Guarantee Procedures:

- (1) The total amount of the Company's external endorsement guarantee shall not exceed 30% of the Company's paid-in capital.
- (2) The amount of business transactions refers to the higher of the amount of goods purchased or sold between the parties.
- (3) Companies with which the Company has a parent-child relationship: The endorsement and guarantee for a single enterprise shall not exceed 10% of the Company's paid-in capital and the company's paid-in capital being endorsed and guaranteed.
- (4) The aggregate amount of the endorsement and guarantee of the Company and its subsidiaries as a whole shall not exceed 40% of the net worth of the Company, of which the endorsement and guarantee of a single subsidiary shall not exceed 20% of the net worth of the Company.

Taiwan Mask Corporation and Subsidiaries

Ending holding of marketable securities (not including subsidiaries, associates and joint ventures)

June 30, 2026

Table 3

Company name of the shareholding	Marketable securities	Relationship with the marketable securities issuer	General ledger account	End of period			
				Number of shares	Book value	Ownership percentage	Fair value
Taiwan Mask Corporation	Common stock of China Steel Structure Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Current	14,299,000	623,436	7.15%	623,436
Taiwan Mask Corporation	Common stocks of Avision Inc. through private placement.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	2,765,817	42,815	4.61%	42,815
Taiwan Mask Corporation	Ordinary corporate bonds of Xuesen Technology Corporation (B.V.I.) Taiwan Branch	The parent company of the Company	Financial assets measured at amortized cost	-	100,000	-	100,000
Goke Holdings Co., Ltd.	Common stocks of Taiwan Mask	Parent company	Financial Assets at Fair Value Through Profit or Loss - Non Current	35,331,440	1,794,837	9.62%	1,794,837
Goke Holdings Co., Ltd.	Common stocks of Star Fusion Group Co., Ltd.	Ultimate parent company	Financial Assets at Fair Value Through Profit or Loss - Non Current	6,026,000	266,349	5.52%	266,349
Goke Holdings Co., Ltd.	Common stock of China Steel Structure Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Current	21,750,000	948,300	10.88%	948,300
Goke Holdings Co., Ltd.	B Current Impact Investment	The Company is a director of that company	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,000,000	10,000	10.00%	10,000
Goke Holdings Co., Ltd.	B Current Impact Investment Partnership	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,000,000	10,000	-	10,000
Goke Holdings Co., Ltd.	Intellectual Property Innovation Corporation Partnership Fund	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	-	17,500	-	17,500
Goke Holdings Co., Ltd.	Wisdom Capital Limited Partnership	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	-	78,406	-	78,406
Goke Holdings Co., Ltd.	Class A preferred shares of Yu Chuan Intelligence Co., Ltd.	Fellow subsidiary	Financial Assets at Fair Value Through Other Comprehensive Income - Non Current	4,500,000	45,000	-	45,000
Jing Hao Investment Co., Ltd.	G-TECH ELECTRONICS LTD.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,097,092	-	8.08%	-
Jing Hao Investment Co., Ltd.	Common stocks of MEMCHIP TECHNOLOGY CO., LTD.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	187,915	-	3.13%	-
Aptos Technology INC.	Common stocks of TOPFUN TECHNOLOGY INC.	None	Financial Assets at Fair Value Through Other Comprehensive Income - Non Current	100,000	-	12.27%	-
Miko-China Enterprise (Shanghai) Co., Ltd.	Common stocks of Shenzhen He Mai Jing Yi Semiconductor Technology Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	480,000	22,512	0.27%	22,512
Miracle Technology CO., LTD.	Ordinary corporate bonds of Innova Vision Inc.	None	Financial assets measured at amortized cost	-	12,000	-	12,000

Taiwan Mask Corporation and Subsidiaries
Significant inter-company transactions during the reporting periods
January 1 to June 30, 2026

Table 4

Unit: NTS Thousand
(Unless otherwise specified)

No.	Name of the counterparty	Counterparty	Relationship (Note 2)	Status of transaction		Amount	Transaction terms	percentage of consolidated total operating revenues or total assets
				General ledger account				
(Note 1)								(Note 3)
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Sales	\$	41,213	Same with other customers	1.37%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Endorsement and guarantee		31,850	Same with other customers	0.17%
0	Taiwan Mask Corporation	Goke Holdings Co., Ltd.	1	Endorsement and guarantee		360,000	Same with other customers	1.96%
0	Taiwan Mask Corporation	Pilot Energy Co., Ltd.	1	Endorsement and guarantee		103,000	Same with other customers	0.56%
0	Taiwan Mask Corporation	Xsease Technology Corporation (B.V.I) Taiwan Branch	1	Endorsement and guarantee		146,000	Same with other customers	0.79%
0	Taiwan Mask Corporation	Imovra Vision INC.	1	Endorsement and guarantee		314,000	Same with other customers	1.71%
0	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Sales		16,058	Same with other customers	0.53%
0	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Accounts Receivables		5,664	Net 60	0.03%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Accounts Receivables		17,215	Net 60	0.09%
0	Taiwan Mask Corporation	Imovra Vision INC.	1	Rental income		10,460	Same with other customers	0.34%
0	Taiwan Mask Corporation	Taiwan Laser Welding Technology Corporation	1	Other Receivables		13,500	Receipt and payment at an agreed time	0.07%
0	Taiwan Mask Corporation	Imovra Vision INC.	1	Other Receivables		113,593	Receipt and payment at an agreed time	0.62%
0	Taiwan Mask Corporation	Aptos Technology INC.	1	Other Receivables		134,750	Receipt and payment at an agreed time	0.73%
0	Taiwan Mask Corporation	Xsease Technology Corporation (B.V.I) Taiwan Branch	1	Other Receivables		73,446	Receipt and payment at an agreed time	0.40%
0	Taiwan Mask Corporation	Xsease Technology Corporation (B.V.I) Taiwan Branch	1	Other receivables (loans of funds)		22,000	Receipt and payment at an agreed time	0.12%
0	Taiwan Mask Corporation	Xsease Technology Corporation (B.V.I) Taiwan Branch	1	Corporate bonds		100,000	Receipt and payment at an agreed time	0.54%
0	Taiwan Mask Corporation	Goke Holdings Co., Ltd.	1	Other receivables (loans of funds)		45,000	Receipt and payment at an agreed time	0.25%
1	Miracle Technology CO., LTD.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Sales		43,429	Same with other customers	1.42%
1	Miracle Technology CO., LTD.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Accounts Receivables		1,188	Net 30	0.01%
1	Miracle Technology CO., LTD.	Aptos Technology INC.	3	Other receivables (loans of funds)		170,000	Receipt and payment at an agreed time	0.93%
1	Miracle Technology CO., LTD.	Aptos Technology INC.	3	Other Receivables		5,973	Receipt and payment at an agreed time	0.03%
1	Miracle Technology CO., LTD.	Imovra Vision INC.	3	Corporate bonds		12,000	Receipt and payment at an agreed time	0.07%
2	Goke Holdings Co., Ltd.	Imovra Vision INC.	3	Other receivables (loans of funds)		45,000	Receipt and payment at an agreed time	0.25%
2	Goke Holdings Co., Ltd.	Aptos Technology INC.	3	Other Receivables		13,461	Receipt and payment at an agreed time	0.07%
2	Goke Holdings Co., Ltd.	Xsease Technology Corporation (B.V.I) Taiwan Branch	3	Other Receivables		4,505	Receipt and payment at an agreed time	0.02%
2	Goke Holdings Co., Ltd.	Xsease Technology Corporation (B.V.I) Taiwan Branch	3	Other receivables (loans of funds)		300,000	Receipt and payment at an agreed time	1.63%
2	Goke Holdings Co., Ltd.	Xsease Technology Corporation (B.V.I) Taiwan Branch	3	Interest income		1,997	Receipt and payment at an agreed time	0.07%
2	Goke Holdings Co., Ltd.	Xsease Technology Corporation (B.V.I) Taiwan Branch	3	Endorsement and guarantee		57,000	Same with other customers	0.31%
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3	Endorsement and guarantee		56,280	Same with other customers	0.31%
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	3	Other receivables (loans of funds)		40,803	Receipt and payment at an agreed time	0.22%
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Taiwan Mask Corporation	2	Endorsement and guarantee		182,910	Same with other customers	1.00%
4	Pilot Energy Co., Ltd.	Xsease Technology Corporation (B.V.I) Taiwan Branch	3	Other receivables (loans of funds)		40,000	Receipt and payment at an agreed time	0.22%
4	Pilot Energy Co., Ltd.	Taiwan Mask Corporation	2	Accounts Receivables		1,010	Net 60	0.01%
4	Pilot Energy Co., Ltd.	Taiwan Mask Corporation	2	Sales		10,220	Same with other customers	0.33%
5	Imovra Vision INC.	iPro Vision Inc.	3	Accounts Receivables		5,949	Net 60	0.03%
5	Imovra Vision INC.	iPro Vision Inc.	3	Sales		24,764	Same with other customers	0.81%
6	iPro Vision Inc.	Imovra Vision INC.	3	Sales		2,600	Same with other customers	0.09%
7	ADL Energy Corp	Pilot Energy Co., Ltd.	3	Other receivables (loans of funds)		6,500	Receipt and payment at an agreed time	0.04%
8	Xsease Technology Corporation (B.V.I) Taiwan Branch	Miracle Technology CO., LTD.	3	Sales		3,642	Same with other customers	0.12%
8	Xsease Technology Corporation (B.V.I) Taiwan Branch	Miracle Technology CO., LTD.	3	Contract Liabilities		11,446	Same with other customers	0.06%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is "0".
- (2) The subsidiaries are numbered in order starting from "1".

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction;

for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction):

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiaries.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement account.

Note 4: Only transactions with an amount of more than NT\$1 million will be disclosed, and transactions with related parties will not be disclosed separately.

Taiwan Mask Corporation and Subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

January 1 to June 30, 2026

Unit: NT\$ Thousand
(Unless otherwise specified)

Table 5

Name of investor	Investee	Location	Main business activities	Initial investment amount		Shares held at the end of the period			current period	for the current period	Note
				Balance at the end of period	End of the previous year	Number of shares	Ownership	Book value			
Taiwan Mask Corporation	SunnyLake Park International Holdings, Inc.	British Virgin Islands	Re-investment	\$ 103,045	\$ 103,045	3,120,000	100%	\$ 5,760	\$ 10	\$ 10	
Taiwan Mask Corporation	Goke Holdings Co., Ltd.	Taiwan	Re-investment	2,080,000	1,960,000	416,877,568	100%	513,787	760,826	214,935	
Taiwan Mask Corporation	Advogene Biopharma Co., Ltd.	Taiwan	Medical, R&D, manufacturing	163,715	163,715	11,996,652	17.29%	61,631 (	55,824) (	11,114)	
Taiwan Mask Corporation	Miracle Technology CO., LTD.	Taiwan	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	252,651	252,651	22,955,033	100%	349,269	13,554	13,554	
Taiwan Mask Corporation	Weide Hi-Tech Co., Ltd.	Taiwan	Display panel control chip and other module's research, design, development, manufacturing and sales	293,371	293,371	12,176,880	28.20%	13,972	1,267	357	
Taiwan Mask Corporation	Innova Vision INC.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	688,924	688,924	23,416,777	45.55%	103,216 (	40,344) (	18,960)	
Taiwan Mask Corporation	ONE TEST SYSTEMS	United States	Research, development and design of test equipment and related components	121,372	121,372	940,000	100% (	45)	-	-	
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Taiwan	Battery manufacturing industry	130,800	130,800	3,380,000	20%	19,143 (	19,776) (	3,955)	
Taiwan Mask Corporation	Maggie Energy Co., Ltd.	Taiwan	Energy technical services	49,200	49,200	1,640,000	20%	23,535 (	8,151) (	1,630)	
Taiwan Mask Corporation	TransLight Corporation	Taiwan	Fiber-optic communication related products	410,400	410,400	13,500,000	12.11%	357,210 (	53,155) (	6,437)	
Taiwan Mask Corporation	Taiwan Laser Welding Technology Corporation	Taiwan	Laser welding of thick steel plates	270,000	270,000	27,000,000	100%	195,789 (	26,342) (	26,342)	
Goke Holdings Co., Ltd.	Xanow Technology Corporation	British Virgin Islands	Precious metal coating	325,965	325,965	1	100%	956 (	5,119) (	5,119)	
Goke Holdings Co., Ltd.	Xanow Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	Precious metal coating	-	-	12,189,191	53% (	389,534) (	15,074) (	7,989)	
Goke Holdings Co., Ltd.	Aptos Technology INC.	Taiwan	Design, packaging and testing of NAND flash memory, solid state drives and the related products	434,692	434,692	28,681,161	47.19% (	167,262)	4,636	2,206	
Goke Holdings Co., Ltd.	Innova Vision INC.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	174,533	151,533	2,347,185	4.57%	25,185 (	40,344) (	835)	
Goke Holdings Co., Ltd.	Digital-Cat Tech. Co., Ltd.	Taiwan	3D Printing and Plastic Mold Design	139,072	139,072	7,281,250	49.57%	151,617	63,555	31,506	
Goke Holdings Co., Ltd.	Pilot Energy Co., Ltd.	Taiwan	Battery manufacturing industry	109,722	97,183	9,080,001	53.73%	118,658 (	19,776) (	9,825)	
Goke Holdings Co., Ltd.	Maggie Energy Co., Ltd.	Taiwan	Energy technical services	49,343	81,317	1,934,999	23.60%	17,400 (	8,151) (	2,076)	
Goke Holdings Co., Ltd.	Monnet Semiconductor, Inc.	Taiwan	Retail and wholesale of memory products	43,590	43,590	2,179,500	18.75%	22,605	5,144	896	
Goke Holdings Co., Ltd.	HKS Tec Corp.	Taiwan	Electronics Components Manufacturing	30,000	30,000	6,000,000	27.12%	- (	22,083)	-	
Aptos Technology INC.	New Sarsia Limited	Samoa	Re-investment	-	-	-	100%	-	-	-	Note
ADL Energy Corp	Aptos Global Holding Corp.	Seychelles	Re-investment	29,795	29,795	10,000,000	100%	-	-	-	
Miracle Technology CO., LTD.	Jing Hao Investment Co., Ltd.	Taiwan	Re-investment	10,012	10,012	23,875,243	100%	318,744	21,941	21,941	
Miracle Technology CO., LTD.	HKS Tec Corp.	Taiwan	Electronics Components Manufacturing	10,000	-	2,090,000	9.04%	12,644 (	22,083) (	1,228)	
Jing Hao Investment Co., Ltd.	Mike Technology Co., Ltd.	Hong Kong	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	37	37	10,000	100%	6,868	8	8	
Innova Vision INC.	Innova Technology	Taiwan	Sales of contact lens	64,650	64,650	3,000,000	100% (	1,241) (	42) (	42)	
Innova Vision INC.	Innova Vision (B.V.I) Inc.	British Virgin Islands	Re-investment	60,157	60,157	1,000,000	100% (	75)	328	328	
Innova Vision INC.	LUMAPURE CO., LTD.	Taiwan	Sales of contact lens	6,000	-	2,900,000	100%	2,180 (	4,961) (	3,820)	
Innova Vision INC.	iPro Vision Inc.	Japan	Sales of contact lens	84,204	84,204	6,400	52.03% (	277)	685	356	
Innova Vision (B.V.I) Inc.	iPro Vision Inc.	Japan	Sales of contact lens	56,420	56,420	5,900	47.97% (	255)	685	329	
Pilot Energy Co., Ltd.	ADL Energy Corp	Taiwan	Renewable energy self-use power generation equipment industry	413,050	413,050	9,984,526	100%	27,883 (	224) (	224)	

Note: As of June 30, 2026, the funds for shares have not been remitted.

January 1 to June 30, 2026

Table 6

China/Amount remitted back to Taiwan												
Investee in Mainland China	Main business activities	Paid-up capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to China at the beginning of the period	Remitted to	Remitted back	Accumulated amount of remittance from Taiwan to China at the end of period	Profit (loss) of the investee for the current period	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the current period (Note 2 (2) C)		
Mike-China Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	\$ 3,283	1	\$ 3,283	\$ -	\$ -	\$ 3,283	\$ 27,728	100%	\$ 27,728		
Miracle International Enterprise(Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	10,215	1	10,215	-	-	10,215	8,686	100%	8,686		
Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	53,676	3	-	-	-	- (	3,114)	100% (	3,114)		

Name of Company	Accumulated amount of remittance from Taiwan to China as of the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in China imposed by the Investment Commission of MOEA
Miracle Technology CO., LTD.	\$ 13,498	\$ 13,498	\$ 139,852

Note 1: Investment methods are classified into the following three categories; fill in the number of categories each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area (please specify the company), which then invested in Mainland China.
- (3) Others

Note 2: Investment income recognized by the Company for the current period

- (1) If it is still under preparation with no actual gain or loss, it shall be indicated in the box.
- (2) The basis for recognition of the investment gains or losses is divided into the following three:
 - A. Financial statements reviewed by an international accounting firm that has a collaborative relationship with CPA firms in Taiwan.
 - B. Financial statements reviewed by a certified accountant or accounting firm who work with the parent company in Taiwan.
 - C. Self-prepared financial statements not reviewed by independent accountants.
 - D. Other

Note 3: The relevant figures in this table should be presented in New Taiwan Dollars.

Note 4: It was originally invested through Mirum Technology Co., Ltd. Since the aforementioned company has gone through dissolution and liquidation, it has been changed to Miracle Technology Co., Ltd. directly investing in Miracle International Enterprise (Shanghai) Co., Ltd.

Note 5: According to the "Review Principles for Investment or Technical Cooperation in the Mainland Area" issued by the Department of Investment Review, MOEA, the limit on investment in Mainland China is 60% of net asset value.