STAR FUSION GROUP CO., LTD AND

SUBSIDIARIES

(FORMERLY NAMED SOFTSTAR ENTERTAINMENT INC.)

CONSOLIDATED FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITORS' REPORT

FOR THE YEARS ENDED

Registration Address: 7F, No. 8, Lane 11, Sec. 2, Dunhua S. Road, Da'an District, Taipei, Taiwan
Office Phone No.: (02)2722-6266

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

REPRESENTATION LETTER

The entities included in the consolidated financial statements as of December 31, 2025 and for the year then ended prepared under the International Financial Reporting Standards, No.10 are the same as the entities to be included in the combined financial statements of the Company, if any to be prepared, pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises (referred to as "Combined Financial Statements"). Also, the footnotes disclosed in the Consolidated Financial Statements have fully covered the required information in such Combined Financial Statements. Accordingly, the Company did not prepare any other set of combined financial statements than the Consolidated Financial Statements.

Very truly yours,

STAR FUSION GROUP CO., LTD

Chairman: Tu, Chun-Kuang

March 31, 2026

Independent Auditors' Report Translated from Chinese

To Star Fusion Group Co., Ltd

Opinion

We have audited the accompanying consolidated balance sheets of Star Fusion Group Co., Ltd., (the "Company") and its subsidiaries as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of material accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits and the reports of the other auditors (please refer to the Other Matter – Making Reference to the Audits of Other Auditors section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2025 and 2024, and their consolidated financial performance and cash flows for the years ended December 31, 2025 and 2024, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2025 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon we do not provide a separate opinion on these matters.

Revenue Recognition - the Power Distribution Machinery Manufacturing Department

The operating revenue of the Company's subsidiary, San Jiang Electric MFG. Co., Ltd., from the sales of transformers and distribution boards (the power distribution machinery manufacturing department of the Group) during the year ended December 31, 2025 amounted to NT$1,799,025 thousand. It is necessary to judge and determine the performance obligation of a contract and the timing of its satisfaction in terms of sales orders and agreements when recognizing the revenue. Therefore, we determined this is a key audit matter.

Our audit procedures included, but were not limited to:

1. Evaluating the appropriateness of the accounting policy related to revenue recognition and testing the effectiveness of the internal controls over the revenue recognition establis hed by the management.

2. Selecting samples to perform tests of details and examine the relevant evidence to verify the accuracy of revenue recognition and the occurrence of transaction.

3. Performing cut off procedures by selecting revenue transactions for certain period before and after the balance sheet date, and tracing to relevant documents to verify whether the timing of revenue recognition was correct.

4. Performing analytical procedures to analyze the fluctuations in order to assess the reasonableness of the transactions.

We also considered the appropriateness of the disclosures related to operating revenue in Note 4 and 6 to the consolidated financial statements.

Revenue Recognition - the Semiconductor Manufacturing Department

The operating revenue of the Company's subsidiary, Taiwan Mask Corporation, from manufacture and sale of photomasks and integrated circuits used in the semiconductor industry from the period from August 1 to December 31, 2025 amounted to NT$2,174,920 thousand. As the Company has a large and diversified customer base, and transaction terms vary depending on market conditions and customer requirements, significant judgment by management is required to determine the performance obligations and the timing of their satisfaction. Given that revenue from product sales constitutes the Company's primary operating activity, we determined this is a key audit matter.

Our audit procedures included, but were not limited to:

1. Evaluating the appropriateness of the accounting policies related to revenue recognition and testing testing the effectiveness of internal controls over revenue recognition established by management.

2. Selecting samples to perform tests of transaction details, inspecting the related transaction records and material terms and conditions in orders or contracts, to confirm that performance obligations have been appropriately identified and that revenue is recognized when the performance obligations are satisfied.

3. Performing cut-off procedure by selecting revenue transactions occurring for a certain period before and after the balance sheet date.

4. Performing analytical procedures to analyze fluctuations in sales revunue.

We also considered the appropriateness of the disclosures related to operating revenue in Note 4 and 6 to the consolidated financial statements.

Goodwill Impairment Assessment

The carrying amount of goodwill of the Company and its subsidiaries amounted to NT$1,996,696 thousand, constituting 7% of the consolidated total assets as of December 31, 2025. The Company conducted the impairment tests annually on the goodwill acquired through business combinations in accordance with the regulations of International Financial Reporting Standards (IFRSs). As the carrying amount of goodwill is material to the Company and the assumptions involved management’s judgement, we therefore considered this as a key audit matter.

Our audit procedures included, but were not limited to:

1. Understanding management's assessment processes and policies related to goodwill impairment;

2. Understanding management's criteria for identifying cash generating units and determining the measurement methods of recoverable amount, and reviewing the calculation process using the fair value less costs of disposal and value-in-use methods;

3. Understanding management's assessment process and basis for the projected growth rates and gross profit margins of the acquired companies' future operating prospects; and

4. Using internal expert to assist evaluating the valuation models and significant assumptions (including discount rates, etc.) utilized by management, and comparing the assumptions with market data and historical financial information to assess the reasonableness of management's judgments.

We also considered the appropriateness of the disclosures related to goodwill impairment assessment in Note 4 and 6 to the consolidated financial statements .

Other Matter – Making Reference to the Audit(s) of Other Auditors

We did not audit the financial statements of certain consolidated subsidiaries. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of other auditors. The total assets of those subsidiaries amounted to NT$1,942,293 thousand and NT$2,693,194 thousand, constituting 7% and 34% of consolidated total assets as of December 31, 2025 and 2024, respectively, and total operating revenues of NT$837,435 thousand and NT$2,017,268 thousand, constituting 11% and 40% of consolidated operating revenues for the years ended December 31 2025 and 2024, respectively. We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of other auditors. These associates and joint ventures under equity method amounted to NT$50,226 thousand and NT$323,119 thousand, representing 0% and 4% of consolidated total assets as of December 31, 2025 and 2024, respectively. The related shares of profit or loss from the associates and joint ventures under the equity method amounted to NT$3,937 thousand and NT$8,167 thousand, representing 0% and 3% of the consolidated loss before tax for the years ended December 31 2025 and 2024, respectively, and the related shares of other comprehensive income (loss) from the associates and joint ventures under the equity method amounted to NT$0 and NT$(607) thousand, representing 0% and (20)% of the consolidated other comprehensive income (loss) for the years ended December 31, 2025 and 2024, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024.

/s/Lu, Chian-Uen
/s/Wang, MU-FAN

Ernst & Young, Taiwan
March 31, 2026

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

STAR FUSION GROUP CO., LTD AND SUBSIDIARIES

(Formerly Named Softstar Entertainment Inc.)

CONSOLIDATED BALANCE SHEETS

December 31, 2025 and 2024 (Adjusted)

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of December 31, 2025	As of December 31, 2024 (Adjusted) (Note)
Current assets			
Cash and cash equivalents	6	$2,392,237	$1,062,709
Financial assets at fair value through profit or loss, current	6 and 8	2,031,155	126,992
Contract assets, current	6	79,142	2,979
Notes receivable, net	6	31,114	7,177
Accounts receivable, net	6	2,000,158	1,294,844
Accounts receivable-related parties, net	6 and 7	8,871	60,839
Financing lease receivables, net	6	9,343	15,075
Other receivables		191,035	28,346
Other receivables-related parties	7	7,651	-
Current income tax assets	6	12,770	12,529
Inventories, net	6 and 8	1,463,398	919,408
Prepayment	6 and 7	524,353	189,755
Other financial assets, current	6 and 8	1,057,786	268,494
Other current assets		107,267	5,411
Total current assets		9,916,280	3,994,558
Non-current assets			
Designated financial assets at fair value through profit or loss, non-current	6 and 8	631,145	115,811
Financial assets at fair value through other comprehensive income, non-current	6	104,837	113,183
Investments accounted for using the equity method	6	465,236	333,294
Property, plant and equipment, net	6,7 and 8	12,405,146	843,502
Right-of-use assets	6 and 7	830,366	520,743
Investment properties	6 and 8	518,923	48,541
Intangible assets	6 and 8	2,766,493	1,552,600
Deferred tax assets	6	238,910	33,405
Other non-current assets		332,223	42,755
Refundable deposits	6 and 7	169,951	106,013
Long-term financing lease receivables, net	6	34,932	52,384
Other financial assets, non-current	6 and 8	590,569	131,362
Total non-current assets		19,088,731	3,893,593
Total assets		$29,005,011	$7,888,151

Liabilities and Equity	Notes	As of December 31, 2025	As of December 31, 2024 (Adjusted) (Note)
Current liabilities			
Short-term borrowings	6 and 8	$6,899,181	$801,619
Financial liabilities at fair value through profit or loss, current	6	25,000	-
Contract liabilities, current	6 and 7	406,369	199,890
Notes payable		7,021	32,728
Accounts payable	6	957,855	476,986
Accounts payable-related parties	6 and 7	560	301
Other payables	6	1,847,063	323,625
Other payables-related parties	7	598	438
Current income tax liabilities	6	79,195	66,044
Provisions, current	6	122,995	544
Lease liabilities, current	6 and 7	191,033	164,900
Current portion of long-term borrowings	6 and 8	2,113,542	116,594
Other current liabilities	6 and 7	276,678	293,165
Total current liabilities		12,927,090	2,476,834
Non-current liabilities			
Financial liabilities at fair value through profit or loss, non-current	6	2,370	2,610
Contract liabilities, non-current	6 and 7	3,773	173,020
Bonds payable	6	2,245,100	241,771
Long-term borrowings	6 and 8	4,738,896	356,309
Provision, non-current		4,327	3,290
Deferred tax liabilities	6	278,556	149,576
Lease liabilities, non-current	6 and 7	699,520	420,211
Guarantee deposits		33,677	29,298
Other non-current liabilities		110,647	1,789
Total non-current liabilities		8,116,866	1,377,874
Total liabilities		21,043,956	3,854,708
Equity attributable to the parent company	6		
Common stock		1,090,911	1,091,861
Additional paid-in capital		933,780	657,753
Retained earnings			
Legal reserve		182,605	175,480
Special reserve		125,778	138,608
(Accumulated deficit) Unappropriated earnings		(132,685)	334,738
Other components of equity		(171,543)	(133,317)
Treasury shares		(284,354)	(215,284)
Total equity attributable to the parent company		1,744,492	2,049,839
Non-controlling interests	6	6,216,563	1,983,604
Total equity		7,961,055	4,033,443
Total liabilities and equity		$29,005,011	$7,888,151

Note: The Group had completed the purchase price allocation of Ahead.m on the control acquisition date, thus the consolidated balance sheet as of December 31, 2024 was adjusted, please refer to Note 6 for further information.

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

STAR FUSION GROUP CO., LTD AND SUBSIDIARIES

(Formerly Named Softstar Entertainment Inc.)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2025 and 2024 (Adjusted)

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	For the Years Ended December 31, 2025	2024 (Adjusted) (Note)
Net sales	6 and 7	$7,457,388	$5,102,627
Cost of goods sold	6 and 7	(5,669,875)	(3,341,835)
Gross profit		1,787,513	1,760,792
Operating expenses	6 and 7		
Sales and marketing expenses		(1,200,881)	(972,289)
General and administrative expenses		(950,361)	(683,241)
Research and development expenses		(479,323)	(225,330)
Expected credit losses		(143,603)	(18,258)
Subtotal		(2,774,168)	(1,899,118)
Operating loss		(986,655)	(138,326)
Non-operating income and expenses			
Interest income	6	12,497	14,303
Other income	6 and 7	30,766	61,187
Other gains and losses	6	(104,101)	414,249
Finance costs	6 and 7	(231,911)	(71,355)
Share of profit or loss of associates and joint ventures accounted for using equity method		(45,607)	6,898
Subtotal		(338,356)	425,282
(Loss) profit before income tax		(1,325,011)	286,956
Income tax expense	6	(62,435)	(38,754)
Net (loss) income		(1,387,446)	248,202
Other comprehensive income (loss)	6		
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		857	2,904
Unrealized gains or losses from financial assets at fair value through other comprehensive income		(19,685)	(8,253)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		788	(607)
Tax of items that will not be reclassified subsequently to profit or loss		(700)	(171)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences resulting from translating the financial statements of foreign operations		17,648	9,185
Total other comprehensive income (lose), net of tax		(1,092)	3,058
Total comprehensive income (loss)		$(1,388,538)	$251,260
Net (loss) income attributable to:			
Stockholders of the parent		$(469,940)	$77,522
Non-controlling interests		(917,506)	170,680
		$(1,387,446)	$248,202
Comprehensive income (loss) attributable to:			
Stockholders of the parent		$(514,412)	$85,802
Non-controlling interests		(874,126)	165,458
		$(1,388,538)	$251,260
Earnings (Losses) per share (NTD)	6		
Earnings (losses) per share-basic		$(4.63)	$0.77
Earnings (losses) per share-diluted		$(4.63)	$0.77

Note: The Group had completed the purchase price allocation of Ahead.m on the control acquisition date, thus the consolidated statement of comprehensive income for the year ended 2024 was adjusted, resulting in a decrease in net income by NT$117 thousand.

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

STAR FUSION GROUP CO., LTD AND SUBSIDIARIES

(Formerly Named Softstar Entertainment Inc.)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2025 and 2024 (Adjusted)

(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings			Others Components of Equity						
Description	Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	(Accumulated deficit) Unappropriated Earnings	Exchange Differences Resulting from Translating the Financial Statements of Foreign Operations	Unrealized Gains or Losses from Financial Assets at Fair Value Through Other Comprehensive Loss	Unearned Stock-Based Employee Compensation	Treasury Shares	Total	Non-Controlling Interests	Total
Balance as of January 1, 2024	$1,038,836	$263,061	$175,480	$146,211	$255,999	$6,799	$(145,407)	$(44,714)	$(143,448)	$1,552,817	$1,437,763	$2,990,580
Appropriation and distribution of 2023 retained earnings												
Reversal special reserve	-	-	-	(7,603)	7,603	-	-	-	-	-	-	-
Donated surplus	-	13,601	-	-	-	-	-	-	-	13,601	1	$13,602
Equity component of convertible bonds	-	17,820	-	-	-	-	-	-	-	17,820	-	$17,820
Net income in 2024 (Adjusted) (Note)	-	-	-	-	77,522	-	-		-	77,522	170,680	248,202
Other comprehensive income (loss) in 2024	-	-	-	-	1,541	(9,200)	15,939	-	-	8,280	(5,222)	3,058
Total comprehensive income (loss) in 2024	-	-	-	-	79,063	(9,200)	15,939	-	-	85,802	165,458	251,260
Cash capital increase	52,000	286,000	-	-	-	-	-	-	-	338,000	-	338,000
Acquisition of parent company's stocks by subsidiaries recognized as treasury shares	-	(112)	-	-	-	-	-	-	(71,836)	(71,948)	(96,484)	(168,432)
Disposal of investments using the equity method	-	-	-	-	(607)	-	607	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	12,287	-	-	(990)	-	-	-	-	11,297	(1,476)	9,821
Changes in ownership interests in subsidiaries	-	61,640	-	-	(330)	-	(516)	-	-	60,794	39,304	100,098
Share-based payment transactions	2,100	10,836		-	-	-	-	37,175	-	50,111	36,861	86,972
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	402,177	402,177
Disposal of equity instruments investments measured at fair value through other comprehensive loss	-	-	-	-	(6,000)	-	6,000	-	-	-	-	-
Employee restricted shares for cancellation	(1,075)	(7,380)	-	-	-	-	-	-	-	(8,455)	-	(8,455)
Balance as of December 31, 2024 (Adjusted) (Note)	$1,091,861	$657,753	$175,480	$138,608	$334,738	$(2,401)	$(123,377)	$(7,539)	$(215,284)	$2,049,839	$1,983,604	$4,033,443
Balance as of January 1, 2025	$1,091,861	$657,753	$175,480	$138,608	$334,738	$(2,401)	$(123,377)	$(7,539)	$(215,284)	$2,049,839	$1,983,604	$4,033,443
Appropriation and distribution of 2024 retained earnings												
Legal reserve	-	-	7,125	-	(7,125)	-	-	-	-	-	-	-
Reversal special reserve	-	-	-	(12,830)	12,830	-	-	-	-	-	-	-
Donated surplus	-	3,073	-	-	-	-	-	-	-	3,073	-	3,073
Net loss in 2025	-	-	-	-	(469,940)	-	-	-	-	(469,940)	(917,506)	(1,387,446)
Other comprehensive income (loss) in 2025	-	-	-	-	997	(19,015)	(26,454)	-	-	(44,472)	43,380	(1,092)
Total comprehensive income (loss) in 2025	-	-	-	-	(468,943)	(19,015)	(26,454)	-	-	(514,412)	(874,126)	(1,388,538)
Organizational Restructuring	-	31,051	-	-	-	-	-	-	-	31,051	-	31,051
Treasury shares repurchase	-	-	-	-	-	-	-	-	(15,264)	(15,264)	-	(15,264)
Acquisition of parent company's stocks by subsidiaries recognized as treasury shares	-	-	-	-	-	-	-	-	(53,806)	(53,806)	(49,400)	(103,206)
Disposal of investments using the equity method	-	-	-	-	(623)	-	623	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	250,565	-	-	-	-	-	-	-	250,565	(4,244)	246,321
Changes in ownership interests in subsidiaries	-	(3,108)	-	-	(3,562)	-	(315)	-	-	(6,985)	(137,688)	(144,673)
Share-based payment transactions	-	-	-	-	-	-	-	5,908	-	5,908	-	5,908
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	5,298,417	5,298,417
Employee restricted shares for cancellation	(950)	(5,554)	-	-	-	-	-	1,027	-	(5,477)	-	(5,477)
Balance as of December 31, 2025	$1,090,911	$933,780	$182,605	$125,778	$(132,685)	$(21,416)	$(149,523)	$(604)	$(284,354)	$1,744,492	$6,216,563	$7,961,055

Note: The Group had completed the purchase price allocation of Ahead.m on the control acquisition date, thus the consolidated statements of changes in equity as of December 31, 2024 was adjusted, please refer to Note 6 for further information.

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

STAR FUSION GROUP CO., LTD AND SUBSIDIARIES

(Formerly Named Softstar Entertainment Inc.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Description	For the Years Ended December 31, 2025	2024 (Adjusted) (Note)
Cash flows from operating activities:		
NET (loss) Income before tax	$(1,325,011)	$286,956
Adjustments for:		
Depreciation	874,443	214,616
Amortization	133,837	72,658
Expected credit impairment losses	143,603	18,258
Gains on financial assets and liabilities at fair value through profit or loss	(3,574)	(12,654)
Interest expense	231,911	71,355
Interest income	(12,497)	(14,303)
Dividends income	(4,425)	-
Share-based payments expense	29,841	103,405
Share of profit or loss of associates and joint ventures accounted for using equity method	45,607	(6,898)
Losses (gains) on disposal of property, plant and equipment	2,680	(1,138)
Losses (gains) on disposal of intangible assets	6	(8,024)
Gains on disposal of investment	(167,471)	(229,963)
Impairment loss from non-financial assets	263,170	49,668
Gains on disposal of mobile game intellectual property	(162,642)	(212,472)
Purchase of bargain gain	(2,518)	-
Gains on lease modification	(16,034)	(13,030)
Changes in operating assets and liabilities:		
Contract assets	(1,528)	3,516
Notes receivable, net	12,578	657
Accounts receivable, net	147,972	(287,029)
Accounts receivable-related parties, net	54,291	(53,466)
Other receivables	78,240	(67,078)
Other receivables-related parties	(5,088)	763
Inventories, net	456,220	153,117
Prepayment	(26,224)	(30,294)
Other current assets	(31,866)	26,178
Other financial assets	32,479	32,479
Contract liabilities	(159,219)	58,447
Notes payable	(217,430)	7,843
Accounts payable	13,909	(101,937)
Accounts payable-related parties	259	301
Other payables	(352,778)	(4,740)
Other payables-related parties	160	250
Provisions	17,589	(20,463)
Other current liabilities	43,960	93,196
Net defined benefit liabilities	(9,459)	(1,794)
Cash generated from operations	84,991	128,380
Interest received	12,497	14,303
Interest paid	(211,635)	(59,973)
Income tax paid	(115,155)	(51,958)
Net cash (used in) provided by operating activities	(229,302)	30,752
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	8,209	-
Acquisition of financial assets at fair value through profit or loss	(397,551)	(89,708)
Proceeds from disposal of financial assets at fair value through profit or loss	665,196	12,590
Acquisition of investments accounted for using equity method	(552,671)	(4,272)
Proceeds from disposal of investments accounted for using equity method	38,760	525,320
Proceeds from disposal of subsidiaries	162,642	-
Acquisition of property, plant and equipment	(1,506,623)	(116,014)
Proceeds from disposal of property, plant and equipment	16,717	6,230
Increase in refundable deposits	(60,596)	(14,465)
Acquisition of intangible assets	(117,928)	(36,241)
Proceeds from disposal of intangible assets	-	20,005
Cash inflow (outflow) due to merger	2,171,859	(164,005)
(Increase) decrease in other financial assets	(389,999)	84,518
Decrease in other noncurrent assets	68,286	75,796
Others	-	(448,727)
Net cash provide by (used in) investing activities	106,301	(148,973)
Cash flows from financing activities:		
Increase in short-term borrowings	5,001,616	-
Decrease in short-term borrowings	(3,370,742)	(242,050)
Proceeds from bonds issued	4,977	298,845
Proceeds from long-term borrowings	2,174,333	608,511
Repayment of long-term borrowings	(2,292,503)	(901,144)
Proceeds from issuance of financial liabilities designated as at fair value through profit or loss-convertible bonds	25,000	-
Increase in guarantee deposits received	1,584	3,134
Repayment of the principal portion of lease liabilities	(175,072)	(172,649)
Increase (decrease) in other non-current liabilities	106,850	(9,933)
Cash capital increase	87,500	338,000
Treasury stock transactions	(40,443)	(71,836)
Changes in non-controlling interests	(36,740)	476,913
Others	3,073	13,601
Net cash provided by financing activities	1,489,433	341,392
Net foreign exchange difference		
Cash acquired from acquisition of a subsidiary	(36,904)	(4,221)
Net increase in cash and cash equivalents	1,329,528	218,950
Cash and cash equivalents at beginning of year	1,062,709	843,759
Cash and cash equivalents at end of year	$2,392,237	$1,062,709

Note: The Group had completed the purchase price allocation of Ahead.m on the control acquisitiondate, thus the consolidated statement of cash flows for the year ended December 31, 2024 was adjusted, please refer to Note 6 for further information.

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

1. History and organization

Softstar Entertainment Inc. ("the Company"), formerly known as Cyber Power Systems, Inc., was incorporated in August 1998 in the Republic of China and changed its name to Softstar Entertainment Inc. the same year. The Company and its subsidiaries ("the Group") main business include online games, game software; instructional software; research, design, sales of computer peripherals; multilayer printed circuit board; copper clad laminate; prepreg and electronic component manufacturing, lamination, research and development and trade of business operation; the production and sale of the transformers and distribution boards; third-party payment services; distribution, maintenance and trade of export electronic component, integrated circuit, computer equipment; domestic and foreign liquor agency, research, manufacturing and sale of application delivery controllers, high-end SSL VPN systems, remote desktop access solutions, application acceleration and WAN optimization controllers, and manufacturing and sale of food products for mass-market restaurant operations. On August 8, 2001, the Company listed its shares of stock on the Taipei Exchange (TPEx). The Company's registered office and the main business location is at 7F, No. 8, Lane 11, Sec. 2, Dunhua S. Road, Republic of China (R.O.C.).

On December 23, 2025, the Company's general shareholders' meeting resolved to change the Company's name to Star Fusion Group Co., Ltd., The name change was approved and registered by the competent authority on January 7, 2026.

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of the Group for the years ended December 31, 2025 and 2024 were authorized for issue by the Board of Directors on March 31, 2026.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after 1 January 2025. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which have been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 17 "Insurance Contracts"	1 January 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(a) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

(b) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

(1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
(2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
(3) Clarify the treatment of non-recourse assets and contractually linked instruments.
(4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(c) Annual Improvements to IFRS Accounting Standards – Volume 11

(1) Amendments to IFRS 1
(2) Amendments to IFRS 7
(3) Amendments to Guidance on implementing IFRS 7
(4) Amendments to IFRS 9
(5) Amendments to IFRS 10
(6) Amendments to IAS 7

(d) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

(1) Clarify the application of the ‘own-use’ requirements.
(2) Permit hedge accounting if these contracts are used as hedging instruments.
(3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after 1 January 2026 and have no material impact on the Group.

(3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027 (Note)
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
d	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)	1 January 2027

Note: On 25 September 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 in 2028.

(a) IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities' performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(c) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This new standard and its amendments permit subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(d) Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21 and IAS 29)

The amendments include:

(1) Clarify that when the entity's functional currency is that of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate its results and financial position using the closing rate at the date of the most recent statement of financial position.
(2) In the above circumstances, when the presentation currency ceases to be hyperinflationary economy, the entity shall not retranslate amounts that arose before the beginning of the reporting period.
(3) When the entity's functional currency and presentation currency are the currency of a hyperinflationary economy, the entity shall apply the relevant accounting treatment in accordance with paragraph 34 of IAS 29.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (b), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

4. Summary of material accounting policies

(1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and International Financial Reporting Standards, International Accounting Standards, and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(A) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
(B) exposure, or rights, to variable returns from its involvement with the investee, and
(C) the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(A) the contractual arrangement with the other vote holders of the investee
(B) rights arising from other contractual arrangements
(C) the Group's voting rights and potential voting rights

The Group re-assesses whether it controls an investee or not if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
If the Company loses control of a subsidiary, it:

A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
B. derecognizes the carrying amount of any non-controlling interest;
C. recognizes the fair value of the consideration received;
D. recognizes the fair value of any investment retained;
E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings if required by other IFRSs; and
F. recognizes any resulting difference in profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	December 31, 2025	December 31, 2024	Note
The Company	Loftstar Interactive Entertainment Inc.	Software wholesale and software services	100	100	
The Company	Activision Entertainment Ltd.	Performing arts	100	100	
The Company	Gamebase Digital Media Corporation	Software services and information processing services, etc.	100	100	
The Company	Softstar Animation Limited (SAL)	Investment holdings	100	100	
The Company	Time Vision International Limited (TVI)	Investment holdings	100	100	
The Company	Spectrum Electrics Corporation	Manufacture, lamination, processing, research and development, and merchandising of electronic parts/components	42.85	42.66	1
The Company	New Profit Holding Limited	Investment holdings	100	100	
The Company	JFN Investment Holding Corp	Investment holdings	100	100	
The Company	Lanjing Ltd.	Investment holdings	100	100	

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	December 31, 2025	December 31, 2024	Note
The Company	Jiwei Technology Ltd.	Investment holdings	-	100	13
The Company	Red Sunrise Co., Ltd.	Third-party payment services	41.32	50.20	2
The Company	Chander Electronics Corp.	Electronic Products Distribution	14.5	12.85	3
The Company	Softstar Singapore Private Limited	Investment holdings	100	100	
The Company	Zhu International Group Inc.	Catering	100	86.91	4
The Company	Golden Avenue Group Limited	Investment holdings	-	100	5
The Company	Yu Chuan Intelligence Co., Ltd	Investment holdings	83.78	100	9
The Company	Array Inc.	Research and sale of Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	3.68	-	7
The Company	Luminous Rise Investment Co., Ltd.	Investment holdings9	40	-	15
Ali Corporation	Luminous Rise Investment Co., Ltd	Investment holdings9	27	-	15
Spectrum Electrics Corporation	Luminous Rise Investment Co., Ltd	Investment holdings9	5	-	15
San Jiang Electric MFG. Co., Ltd.	Luminous Rise Investment Co., Ltd	Investment holdings9	15	-	15
Loftstar Interactive Entertainment Inc.	Luminous Rise Investment Co., Ltd	Investment holdings9	13	-	15
Loftstar Interactive Entertainment Inc.	Zhu International Group Inc.	Catering	-	13.09-	4
Loftstar Interactive Entertainment Inc.	Tomohane Co., Ltd.	Game publishing agent	100	-	12
New Profit Holding Limited	Chander Electronics Corp.	Electronic Products Distribution	1.58	1.58	3
JFN Investment Holding Corp	Chander Electronics Corp.	Electronic Products Distribution	5.11	5.11	3
Lanjing Ltd.	Chander Electronics Corp.	Electronic Products Distribution	21.64	21.64	3
Jiwei Technology Ltd.	Chander Electronics Corp.	Electronic Products Distribution	-	1.14	3
Jiwei Technology Ltd.	Array Holdings for APGFIII Fund LPs	Investment holdings	100	100	
Zhu International Group Inc.	Yoshimoto Co., Ltd	Investment holdings	100	100	8
Yoshimoto Co., Ltd	DineVita Group Co., Ltd.	Catering	100	100	8
Yoshimoto Co., Ltd	Cocoro International Japan Co., Ltd.	Property rental	100	-	8
Spectrum Electrics Corporation	Green Bless Co., Ltd.	Beauty and skincare products	100	100	

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2025	December 31, 2024	Note
Spectrum Electrics Corporation	Hang Zheng Technology Co., Ltd.	Wholesale of electronic equipment	55.00	55.00	
Spectrum Electrics Corporation	Jiu He Yi Technology Co., Ltd.	Wholesale of electronic equipment	100	100	
Spectrum Electrics Corporation	San Jiang Electric MFG. Co., Ltd.	Production and sale of transformers and distribution panels	100	100	
Spectrum Electrics Corporation	Yu Chuan Intelligence Co., Ltd	Investment holdings	16.22	-	9
Gamebase Digital Media Corporation	Mega Media Group Limited	Investment holdings	100	100	
Softstar Singapore Private Limited	Starlight Gaming India Private Limited	Game agent and marketing	99.99	99.99	
Red Sunrise Co., Ltd.	Sun Tech Co., Ltd.	Sale of vouchers and BNPL	100	100	
Red Sunrise Co., Ltd.	Soundnet Tech Co., Ltd.	Design of computer software	100	100	
Red Sunrise Co., Ltd.	Zhu International Group Inc.	Hospitality service	-	-	4
Red Sunrise Co., Ltd.	Spectrum Electrics Corporation	Manufacture, lamination, processing, research and development, and merchandising of electronic parts/components	0.40	0.41	1
Chander Electronics Corp.	Chander Electronics (HK) Corporation	Maintenance, distribution and trade of electronic components, integrated circuits, computer equipment, liquor and related products	100	100	
Chander Electronics Corp.	Yun Fang Co., Ltd.	Tobacco, alcohol, beverage, food and medical equipment wholesalers and retail	100	100	
Chander Electronics Corp.	Changsha Zecheng Technology Co., Ltd.	Maintenance, distribution and trade of electronic components, integrated circuits, computer equipment, and related products	100	100	
Chander Electronics Corp.	Quan Zhe Metal Corp.	Electronic component products, information software wholesalers and retail, and data processing services	82.81	82.81	

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2025	December 31, 2024	Note
Chander Electronics Corp.	Toptrend Technologies Corp.	Electronic products and components trading services	94.37	94.37	
Chander Electronics Corp.	Dara Power Co., Ltd.	Electronic parts and components manufacturing and Energy Technical Service	57.27	57.27	6
Chander Electronics Corp.	Quanxin Sustainability Management Consulting Co., Ltd	Management Consultant, Manpower Dispatch	100	100	10
Chander Electronics Corp.	Quanyun Co., Ltd	Automotive Retail, Leasing	100	100	11
Chander Electronics Corp.	Spectrum Electrics Corporation	Manufacture, lamination, processing, research and development, and merchandising of electronic parts/components	0.4	0.41	1
Toptrend Technologies Corp.	Moment semiconductor, Inc.	Retail and wholesale memory	51	-	18
Array Holdings for APG FIII Fund LPs	Array Inc.	Research and sale of Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	40.31	36.59	7
Array Inc.	Array Networks, Inc. (Array Cayman)	Investment holdings	100	100	
Array Inc.	Array Taiwan Inc.	Research and development of network functional platform products	100	100	
Array Cayman	Array Networks, Inc. (Array US)	Research, manufacture and sale of Network Functions Platform, Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	100	100	
Array Cayman	Zentry Security Inc.	Zentry modernizes the secure access with enhanced security, improved productivity, and ease of use. It helps customers migrate to Zero Trust Security model from obsolete perimeter model (Firewall & VPN)	-	99.95	

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2025	December 31, 2024	Note
Array US	Array Networks Japan Kabishiki Kaisha	Research, manufacture and sale of Network Functions Platform, Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	100	100	
Array US	Array Networks India Private Limited	Research, manufacture and sale of Network Functions Platform, Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	100	100	
Yu Chuan Intelligence Co., Ltd	Ali Corporation	Research, development, design, sales, and intellectual property–related business of electronic chips.	16.51	-	14
Ali Corporation	Ali(BVI)Microelectronics Corporation	Investment holdings	100	100	13, 14
Ali Corporation	ALitech India LLP	Research and development and customer technical services	99.00	99.00	14
Ali Corporation	ALi Innovations Corporation	Investment holdings	100	100	14
Ali Corporation	Ali (Chengdu) Corporation	Research and development and customer technical services	100	-	14
Ali Corporation	Jiwei Technology Ltd.	Investment holdings	100	-	13, 14
Ali Corporation	Shenzhen Tianchen Semiconductor Technology Co., Ltd.	Research and development and customer technical services	-	-	14
Ali（BVI） Microelectronics Corporation	Ali (China) Corporation	Research and development and customer technical services	100	-	14

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	December 31, 2025	December 31, 2024	Note
Ali（BVI） Microelectronics Corporation	ALitech India LLP	Research and development and customer technical services	100	-	14
Ali (China) Corporation	ALi (Zhuhai) Corporation	Research and development and customer technical services	100	-	14
Ali (China) Corporation	Zhuhai Feiyang Management Consulting Partnership (Limited Partnership)	Investment Company	91.75	-	14
Ali (China) Corporation	Xsail Technology Co., Ltd.	Research and development and customer technical services	80.00	-	14
Zhuhai Feiyang Management Consulting Partnership (Limited Partnership)	Xsail Technology Co., Ltd.	Research and development and customer technical services	20.00	-	14
Luminous Rise Investment Co., Ltd	Taiwan Mask Corporation	Photomasks and Integrated Circuits Research, development, manufacturing, sales and technical services related to photomasks and integrated circuits.	20	-	16
Taiwan Mask Corporation	SunnyLake Park International Holding, Inc.	Name of Investor	100	-	16
Taiwan Mask Corporation	Guang Ju Holding Co., Ltd.	Name of Investor	100	-	16
Taiwan Mask Corporation	Miracle Technology CO., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	-	16
Taiwan Mask Corporation	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	53.11	-	16
Taiwan Mask Corporation	One Test Systems	Research, development and design of test equipment and related components	100	-	16
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Electronic parts and components and energy technical services	20.00	-	16

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2025	December 31, 2024	Note
Taiwan Mask Corporation	Magpie Energy Co., Ltd	Electronic Components and Energy Technology Services Industry	20.00	-	16
Taiwan Mask Corporation	Aiwan Laser Welding Technology Corporation.	Laser Welding of Thick Steel Plates	100	-	16
Guang Ju Holding Co., Ltd.	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	0.11	-	16
Guang Ju Holding Co., Ltd.	Aptos Technology INC.	Design, packaging and testing of NAND flash memory, solid state drives and the related products	47.19	-	16
Guang Ju Holding Co., Ltd.	Xsense Technology Corporation	Name of Investor	100	-	16
Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Precious metal coating	53.00	-	16
Guang Ju Holding Co., Ltd.	Digital-Can Tech. Co., Ltd.	3D Printing and Plastic Mold Design	57.39	-	16
Guang Ju Holding Co., Ltd.	Pilot Energy Co., Ltd.	Electronic parts and components and energy technical services	38.89	-	16
Guang Ju Holding Co., Ltd.	Magpie Energy Co., Ltd	Electronic parts and components and energy technical services	38.89	-	16
Guang Ju Holding Co., Ltd.	Moment Semiconductor, Inc.	Retail and wholesale of memory products	25.27	-	16, 18
Aptos Technology INC.	New Sunrise Limited	Name of Investor	100	-	16
Pilot Energy Co., Ltd.	ADL Energy Corp	Electronic parts and components and energy technical services	100	-	16
ADL Energy Corp	Aptos Global Holding Corp.	Name of Investor	100	-	16
Miracle Technology CO., Ltd.	Jing Hao Investment Co., Ltd.	Name of Investor	100	-	16
Miracle Technology CO., Ltd.	Miracle International Enterprise(Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	-	16
Jing Hao Investment Co., Ltd.	MIKO Technology Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	-	16

			Percentage of ownership (%)		
Investor	Subsidiary	Main businesses	December 31, 2025	December 31, 2024	Note
Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	79.17	-	16
Miracle International Enterprise(Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	20.83	-	16
Innova Vision INC.	Innova Technology	Medical equipment retail and wholesale	100	-	16
Innova Vision INC.	Innova Vision (B.V.I.) Inc.	Name of Investor	100	-	16
Innova Vision INC.	iPro Vision Inc.	Medical equipment retail and wholesale	52.03	-	16
Innova Vision (B.V.I.) Inc.	iPro Vision Inc.	Medical equipment retail and wholesale	47.97	-	16

Note 1: In January 2024, Spectrum Electrics Corporation issued restricted stocks of 4,050 thousand shares, reducing the Group's shareholdings ratio to 42.93%.

Spectrum Electrics Corporation conducted a cash capital increase in December 2024. The Company subscribed to the new shares in proportion to its existing shareholding, and its subsidiaries, Red Sunrise Co., Ltd. and Chander Electronics Corp, subscribed in the capital increase, resulting in the Group's shareholding ratio to 43.04%.

In January and April 2025, the Company acquired 809 thousand shares of Spectrum Electrics Corporation through open market transactions. In addition, in December 2024, Hong Yang Technology Co., Ltd. returned 21 thousand shares of Spectrum Electric Co., Ltd. to its original shareholders in connection with the subscription for shares following the cash capital increase. In September 2025, Spectrum Electric Co., Ltd. issued a total of 800 thousand restricted shares for employees. As a result, the Group held a 43.25% equity interest in Spectrum Electric Co., Ltd. as of December 31, 2025.

In November 2025, Uniplus Electronics Co., Ltd. applied for a change of its company name to Spectrum Electrics Co., Ltd.

Note 2: In February 2024, Red Sunrise Co., Ltd. increased its capital by NT$21,000 thousand in cash, totaling 1,500 thousand shares, but the Company did not subscribe the new shares in proportion to its shareholdings, resulting in the shareholding ratio decreased to 50.20%. In October 2025, Red Sunrise Co., Ltd. Increased of 1,500 thousand shares in cash, but the Company did not subscribe the new shares in proportion to its shareholdings, and subsequently disposed of 339 thousand shares in December 2025, resulting in the shareholding ratio decreased to 41.32%.

Note 3: In January 2024, the Company disposed of 135 thousand shares of Chander Electronics Ltd., decreasing the Company's shareholdings to 12.85%.

In April and June 2025, the Company acquired 409 thousand shares of Chander Electronics Ltd. in the public market, In July 2025, the Company acquired 920 thousand shares of Chander Electronics Ltd. from Jiwei Technology Ltd., increasing the Company's shareholdings to 14.50%, the Company held a total of 42.83% equity interest in Chander Electronics Ltd. on December 31, 2025.

Note 4: In January 2024, increased its capital by 15,000 thousand shares amounting to NT$150,000 thousand in cash. 10,000 thousand shares were subscribed by Softstar entertainment inc. and 2,500 thousand shares were subscribed by each of Loftstar Interactive Entertainment Inc. and Red Sunrise Co., Ltd., The above-mentioned shareholding is 66.88%, 16.56% and 16.56% respectively.

On June 25, 2024 and August 30, 2024, Zhu International Group Inc. issued additional 20,000 thousand shares respectively, totaling 40,000 thousand shares, which were fully subscribed by the Company. On November 1, 2024, Red Sunrise Co., Ltd. sold all of its hold shares of Zhu International Group Inc. to the Company, resulting in the shareholding ratio to 86.91%. Moreover, since Loftstar Interactive Entertainment Inc. did not subscribe the new shares in proportion to its shareholdings, its shareholding ratio reduced to 13.09%.

In the first quarter of 2025, Zhu International Group Inc. increased its capital by NT$106,500 thousand in cash, totaling 10,650 thousand shares, which were fully subscribed by the Company. In July 2025, Loftstar Interactive Entertainment Inc. disposed of all its shareholdings in Zhu International Group Inc., totaling 2,500 thousand shares, to the Company, resulting in the Company holding 100% equity interest in Zhu International Group Inc.

Note 5: In September 2024, the Company invested in and established Golden Avenue Group Limited in response to its operational planning needs. On June 24, 2025, the Company disposed of 100% of its shareholdings in Golden Avenue Group Limited to Enjoymi (Hong Kong) Technology Co., Ltd. Please refer to Note 6(35) for further information.

Note 6: In March, April and November of 2024, Dara Power Co., Ltd. conducted cash capital increase. As Chander Electronics Corp. did not proportionally acquire newly issued shares according to its original ownership interest, its interest was reduced to 57.27%.

Note 7: In July 2024, Array Inc. canceled its treasury shares, totaling 600 thousand shares, and its subsidiary, Array Holdings for APGFIII Fund LPs, disposed of 406 thousand shares of Array Inc., increasing the Company shareholding ratio to 36.59%.

From January to February 2025, the subsidiary Array Holdings for APGF III Fund LPs disposed 80 thousand shares of Array Inc. In February 2025 and December 2025, Array Inc. issued private placement of common shares, and during 2025, Array Inc. exercised employee stock options totaling 394 thousand shares, resulting in the Company shareholding ratio increasing to 38.78%.

Note 8: On February 1, 2024, Zhu International Group Inc. acquired the restaurant business of Customers Delight Group, Inc. from Customers Delight Group, a Japanese corporation, for JPY750,000 thousand and established CS-delight Co. On July 2, 2024, the Company transferred the shares of CS-delight Co., LTD. to establish Yoshimoto Co., Ltd. and Yoshimoto Co., Ltd. has full control over it.

In January 2025, the subsidiary, CS-delight Co., Ltd., applied for a change of its company name to DineVita Group Co., Ltd. In April 2025, DineVita Group Co., Ltd. acquired 100% shareholdings of Cocoro International Japan Co., Ltd. from Angel Wine & Spirit Group Co., Ltd. for JPY 124,700 thousand. In May 2025, the organizational structure was adjusted and Cocoro International Japan Co., Ltd. was transferred to become a subsidiary of Yoshimoto Co., Ltd.

Note 9: The Company invested and established Le Tao Catering Business Inc. on September 20, 2024.

In January 2025, Le Tao Catering Business Co., Ltd. applied for a change of its company name to Yu Chuan Intelligence Co., Ltd., and the related change registration was completed. In April 2025, Yu Chuan Intelligence Co., Ltd. increased its capital by NT$184,900 thousand in cash, totaling 18,490 thousand shares. 15,490 thousand shares and 3,000 thousand shares were subscribed by the Company's and Spectrum Electrics Corporation, respectively. After the completion of the cash capital increase, the Company's and Spectrum Electrics Corporation held 83.78% and 16.22% shareholdings of Yu Chuan Intelligence Co., Ltd., Ltd., respectively.

Note 10: Chander Electronics Corp. invested and established Quanxin Sustainability Management Consulting Co., Ltd. in October 2024.

Note 11: Chander Electronics Corp. invested and established Quanyun Co., Ltd. in December 2024.

Note 12: In January 2025, Loftstar Interactive Entertainment Inc., in response to its operational planning needs, acquired 100% of the shareholdings of its subsidiary, Tomohane Co., Ltd., from Luckywings Network Technology Co., Ltd. by NT$9,500 thousand.

Note 13: On July 29, 2025, the Company resolved by the Board of Directors to conduct an organizational restructuring and transferred 100% of its shareholdings in Jiwei Technology Ltd. to Ali Corporation.

Note 14: In April 2025, Yu Chuan Intelligence Co., Ltd. participated in the private placement cash capital increase of Ali Corporation and subscribed for 23,150 thousand shares of private placement common shares for a total amount of NT$500,272 thousand, Increasing the Company's shareholdings to 16.51%. In July 2025, Yu Chuan Intelligence Co., Ltd. obtained half of the seats on the Board of Directors of Ali Corporation and assumed control over its relevant activities, thereby obtaining substantive control. Accordingly, Ali Corporation was accounted for as a subsidiary, and from the control acquisition date in July 2025, Ali Corporation and its subsidiaries were included in the consolidated financial statements.

Note 15: The Company invested and established Luminous Rise Investment Co., Ltd. on July 14, 2025 to its operational planning needs. In July 2025, Luminous Rise Investment Co., Ltd. increased its capital by NT$1,000,000 thousand in cash, totaling of 100,000 thousand shares. The Company, Ali Corporation, Spectrum Electrics Corporation, San Jiang Electric MFG. Co., Ltd. and Loftstar Interactive Entertainment Inc. respectively subscribed to 40,000 thousand shares, 27,000 thousand shares, 5,000 thousand shares, 15,000 thousand shares, and 13,000 thousand shares. After the completion of the cash capital increase, the respective shareholding ratios were 40%, 27%, 5%, 15%, and 13%.

Note 16: In July 2025, Luminous Rise Investment Co., Ltd. participated in the private placement cash capital increase of Taiwan Mask Corporation and subscribed for 63,370 thousand shares of private placement common shares for a total amount of NT$1,546,228 thousand, resulting in a shareholding ratio of 20%. As Luminous Rise Investment Co., Ltd. exercised substantive control over the shareholders' meeting of Taiwan Mask Corporation and directed its relevant activities, Taiwan Mask Corporation was accounted for as a subsidiary. From the control acquisition date in August 2025, Taiwan Mask Corporation and its subsidiaries were included in the consolidated financial statements.

Note 17: In March 2026, Loftstar Interactive Entertainment Inc. applied for a change of its company name to Softstar Entertainment Inc.

Note 18: In October 2025, Toptrend Technologies Corp. participated in the cash capital increase of Moment semiconductor, Inc. with cash amounting to NT$45,000 thousand. After the capital increase, Toptrend Technologies Corp. held 52.17% of the shareholdings of Moment semiconductor, Inc. and obtained control over such company. The aforementioned transactions, in accordance with the IFRS Q&A issued by the Accounting Research and Development Foundation, were deemed to be an intragroup organizational restructuring under common control and were accounted for as equity transactions.

We did not audit the financial statements of certain consolidated subsidiaries. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. The total assets of those subsidiaries amounted to NT$1,942,293 thousand and NT$2,693,194 thousand, constituting 7% and 34% of consolidated total assets as of December 31, 2025, and 2024, respectively, and total operating revenues of NT$837,435 thousand and NT$2,017,268 thousand, constituting 11% and 40% of consolidated operating revenues for the years ended December 31, 2025, and 2024, respectively.

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in NT$, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.

B. Foreign currency items within the scope of IFRS 9 *Financial Instruments* are accounted for based on the accounting policy for financial instruments.

C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NTD at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or jointly controlled entity that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:

A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
B. The Group holds the asset primarily for the purpose of trading.
C. The Group expects to realize the asset within twelve months after the reporting period.
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
A. The Group expects to settle the liability in its normal operating cycle.
B. The Group holds the liability primarily for the purpose of trading.
C. The liability is due to be settled within twelve months after the reporting period.
D. The Company does not have a right to defer settlement of the liability for at least twelve months after the reporting period.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within one month) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of IAS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial instruments: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

(A) the Group's business model for managing the financial assets and
(B) the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables, financial assets measured at amortized cost and other receivables, etc., on balance sheet as at the reporting date:

(A) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(B) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(A) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(B) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(A) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(B) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as below:

(A) A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
(B) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
(C) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:
    a. Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.

b. Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represent a recovery of part of the cost of investment.

Financial asset measured at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the statement of financial position.

The Group measures expected credit losses of a financial instrument in a way that reflects:

(A) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(B) the time value of money; and
(C) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follow:

(A) At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
(B) At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
(C) For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
(D) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

(A) The rights to receive cash flows from the asset have expired

(B) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
(C) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity.
Compound instruments

The Group evaluates the terms of the convertible bonds issued to determine whether it contains both a liability and an equity component. Furthermore, the Group assesses if the economic characteristics and risks of the put and call options contained in the convertible bonds are closely related to the economic characteristics and risk of the host contract before separating the equity element.

For the liability component excluding the derivatives, its fair value is determined based on the rate of interest applied at that time by the market to instruments of comparable credit status. The liability component is classified as a financial liability measured at amortized cost before the instrument is converted or settled.

For the embedded derivative that is not closely related to the host contract (for example, if the exercise price of the embedded call or put option is not approximately equal on each exercise date to the amortized cost of the host debt instrument), it is classified as a liability component and subsequently measured at fair value through profit or loss unless it qualifies for an equity component. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Its carrying amount is not remeasured in the subsequent accounting periods. If the convertible bond issued does not have an equity component, it is accounted for as a hybrid instrument in accordance with the requirements under IFRS 9 *Financial Instruments*.

Transaction costs are apportioned between the liability and equity components of the convertible bond based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

On conversion of a convertible bond before maturity, the carrying amount of the liability component being the amortized cost at the date of conversion is transferred to equity.

Financial liabilities

Financial liabilities within the scope of IFRS 9 Financial Instruments are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

(A) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(B) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(C) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

(A) it eliminates or significantly reduces a measurement or recognition inconsistency; or
(B) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(10) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is calculated by the weighted average method. Some subsidiaries' inventories are recorded at the standard cost and adjusted to weighted-average cost in the reporting period. Cost of finished goods and work in progress include direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. When comparing cost and the net realizable value item by item, the net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(11) Investments accounted for using the equity method

The Group's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate occur and not those that are recognized in profit or loss or other comprehensive income and do not affect the Group's percentage of ownership interests in the associate, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorata basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate is reduced or increased as the Group fails to acquire shares newly issued in the associate proportionately to its original ownership interest, the increase or decrease in the interest in the associate is recognized in Additional Paid in Capital and Investment in associate. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Group disposes the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 Investments in Associates and Joint Ventures. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 Impairment of Assets. In determining the value in use of the investment, the Group estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 Impairment of Assets.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(12) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	50~55 years
Machinery and equipment	1~10 years
Office equipment	1~10 years
Leasehold improvements	3~5 years
Transportation equipment	5 years
Other equipment	1~8 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(13) Investment property

The Group's investment properties are measured at original cost and include the transaction costs of acquiring the assets. The carrying amount of an investment property includes the cost of repairs or additions to the existing investment property to the extent that the cost is recognizable, except for routine maintenance costs, which are not recognized as part of the cost of the investment property. After initial recognition, investment property is measured using the cost model in accordance with IAS 16, Property, Plant and Equipment, unless it qualifies for classification as held for sale (or is included in a group of disposals classified as held for sale) in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, in which case it is treated in accordance with IAS 16, Property, Plant and Equipment, unless it is held by the lessee as a right-of-use asset and is held by the Company in accordance with IAS 16, Property, Plant and Equipment. However, if a property is held by a lessee as a right-of-use asset and is not held for sale under IFRS 5, it is accounted for in accordance with IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	5~55 years

Investment property is derecognized from the balance sheet and recognized as profit or loss when it is disposed of, or when it is permanently withdrawn from use and no future economic benefits are expected to result from its disposal.

(14) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;
C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(15) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies applied to the Group's intangible assets is as follows:

	Trademark	Game royalty	Computer software	Technology of patent	Goodwill	Other Intangible assets
Useful lives	Indefinite	Finite	Finite	Finite	Indefinite	Finite
Amortization method used	No amortization	Amortized on a straight-line basis within six months from the date of commercial operation of the game.	Amortized on a straight- line basis over the estimated useful life	Amortized on a straight- line basis over the estimated useful life	No amortization. Tested for impairment annually.	Amortized on a straight- line basis over the estimated useful life
Internally generated or acquired	Acquired	Acquired	Acquired	Acquired	Acquired	Acquired

The digital assets with indefinite useful lives was recognized as other intangible assets and subject to impairment testing according to fair value on a quarterly basis.

(16) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(17) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Sales returns and allowances

A provision has been recognized for sales returns and allowances in accordance with IFRS 15.

Provision for warranties

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgement and other known factors.

(18) Treasury stocks

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(19) Revenue recognition

The Group's revenue arising from contracts are primarily related to royalties. Licensing content includes licensing its solely developed intellectual property (IP) to others that grant use in game development, game operations and film content and online game operation services. The accounting policies are explained as follow:

Sale of goods

The Group manufactures and sells products. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main products of the Group are game software and related peripherals and electronic products and transformers and distribution panels and revenue is recognized based on the consideration stated in the contract.

The Group recognizes revenue and accounts receivable when the products of electronic components, tobacco, liquor, application delivery controllers, high-end SSL VPN systems, remote desktop access solutions, application acceleration and WAN optimization controllers are delivered and arrived at the place designated by the customers, as the customers have the right of pricing and use and responsibility of reselling and take the risk on obsolescence of the goods.

The credit period of the Group's sale of goods is from 30 to 180 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivables. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract.

Rendering of services

A. The Group provides services related to game licensing. The Group identifies performance obligations and determines whether the licensing provides a customer with a right to access the Group's IP over time or with a right to use the Group's IP at a point in time. Based on experience, the Group uses the expected value method to estimate variable consideration. The scope is limited to the accumulated amount of the revenue recognized which is likely to not be significantly reversed in the subsequent period, when the uncertainty associated with the contracts are eliminated.

   For some contracts, if the Group has fulfilled the performance obligation but does not have a right to an unconditional consideration, these contacts should be presented as contract assets. Besides, loss allowance for contract assets was assessed in accordance with IFRS 9. For some rendering of services contracts, when part of the consideration was received from customers upon signing the contract and the Group owns the obligation to provide the services subsequently, these contracts should be recognized as contract liabilities.

B. The Group provides services related to online games. The Group sells online game time points to subsequently provide services, therefore sales amount from online game time points is recognized as a contract liabilities and revenue is subsequently recognized based on actual usage.

C. The Group provides services related to the operation of online games. When the players recharge their game credits, they can subsequently use the credits to buy virtual items in the game. The Group recognizes the proceeds received from the sales of game points as contract liabilities. Revenue is recognized in accordance with the estimated lifetime of the virtual items after players recharge their game credits and subsequently use the credits to by virtual items.

D. The Group provides third-party payment services to members, after the performance obligations of the contracts with customers are identified, the transaction price is allocated to each performance obligation, and revenue is recognized when each performance obligation is satisfied. As the revenue of transaction fees from cash flow services is specially related to each distinct cash flow or logistics service, it is recognized at a point in time when the transaction is processed. The revenue of annual fee is recognized as contract liabilities once the annual membership fees was received and subsequently realized as revenue on timely basis according to the agreed contract period, which typically ranges from one to three years.

E. The Group provides after-sales support services of application delivery controllers, high-end SSL VPN systems, remote desktop access solutions, application acceleration and WAN optimization controllers. As the Group provides support services, customers simultaneously receive and consume the benefits provided by the Group's satisfaction of performance obligations. Consequently, the related revenue is recognized when services are rendered.

(20) Borrowing Costs

Borrowing costs in line with the requirements which are directly attributable to the acquisition, construction or production of assets may be capitalized as part of the cost of the asset. All other borrowing costs are recognized as expenses incurred during the period. The borrowing costs include interest and other costs incurred in connection with the borrowing of funds.

(21) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

(22) Post-employment benefits

All regular employees of the Company and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Company and its domestic subsidiaries. Therefore, fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Company and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

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

(23) Share-based payment transactions

The cost of equity-settled transactions between the Group and its subsidiaries is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognized, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The cost of restricted stocks issued is recognized as salary expense based on the fair value of the equity instruments on the grant date, together with a corresponding increase in other capital reserves in equity, over the vesting period. The Group recognized unearned employee salary which is a transitional contra equity account; the balance in the account will be recognized as salary expense over the passage of vesting period.

(24) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(25) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition-date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with IFRS 9 *Financial Instruments* either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty arising from these assumptions and estimates could result in material adjustments to the carrying amount of the assets or liabilities in future periods.

(1) Judgement

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

A. Revenue recognition – royalties

In accordance with IRFS 15, the Group identifies performance obligations and determine whether the licensing provides a customer with a right to access the Group's IP over time or with a right to use the Group's IP at a point in time and recognizes royalty revenue when performance obligations have been satisfied.

B. Business combination

The business combination in the Group is in accordance with Business Mergers and Acquisitions Act. The costs relating to the acquisitions are recognized as expense when the costs happen and the servings were accessed. Goodwill is initially measured as the net amount of the excess of the aggregate of the consideration transferred, the non-controlling interest, and the fair value of equity held by the investor at the acquisition date over the net fair value of the identifiable assets acquired and the liabilities assumed. The non-controlling interest is measured as its share of the net identifiable assets of investee.

C. Judgment regarding acting as a principal or as an agent on commission

Regarding revenue transactions, since the Group is engaged in the distribution agency business, it should judge whether the performance obligations of the sales contract are in the role of the principal or the agent, and determine whether the total consideration that is expected to be received in exchange should be recognized as revenue, or the amount of any fees or commissions expected to be received in exchange for arranging specific goods provided by the other party should be recognized as revenue.

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date bear a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. These estimates and assumptions are discussed below.

A. Estimate of variable consideration

With the Group’s business practices, the Group expects to provide a price concession. This price concession will depend on the situation of the industry at the time and the customer. The expected value method is used to estimate variable consideration to predict the amount of the consideration that the Group will be entitled to. When the aforementioned method for estimating variable consideration is included in the transaction price, the scope is limited to the accumulated amount of the revenue recognized, which is likely to not be significantly reversed in the subsequent period when the uncertainty associated with the contracts are eliminated.

B. Accounts receivables–estimate of impairment loss

The Group estimates the impairment loss of accounts receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (forward-looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

C. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recognized in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (i.e. the discounted cash flows model) or market approach. Changes in assumptions used in the valuation model could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

D. Inventories

Estimates of net realizable value of inventories take into consideration that inventories may be damaged, become wholly or partially obsolete, or their selling prices have declined. The estimates are based on the most reliable evidence available at the time the estimates are made. Please refer to Note 6 for more details.

E. Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

Deferred tax assets are recognized for all carry forward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of December 31,	
	2025	2024
Cash on hand and petty cash	$44,429	$12,624
Checking and saving accounts	2,347,022	1,050,085
Time deposit (Note)	786	-
Total	$2,392,237	$1,062,709

Note: Short-term bills with original maturities of three months or less.

(2) Notes receivable and Notes receivable-related parties

	As of December 31,	
	2025	2024
Notes receivable	$31,114	$7,177
Less: loss allowance	-	-
Total	$31,114	$7,177

Notes receivables were not pledged.

The Group follows the requirement of IFRS 9. Please refer to Note 6 (26) for more details on loss allowance and Note 12 for details on credit risk.

(3) Accounts receivable and Accounts receivable-related parties

	As of December 31,	
	2025	2024
Accounts receivable	$2,282,485	$1,369,993
Less: Loss allowance	(282,327)	(75,149)
Subtotal	2,000,158	1,294,844
Accounts receivable-related parties	68,855	60,839
Less:Loss allowance	(59,984)	-
Total	$2,009,029	$1,355,683

Accounts receivables were not pledged.

Accounts receivables are generally on 30-180 day terms. The total carrying amount as of December 31, 2025 and 2024 were NT$2,351,340 thousand and NT$1,430,832 thousand, respectively. Please refer to Note 6 (26) for more details on loss allowance of accounts receivable for the years ended December 31, 2025 and 2024. Please refer to Note 12 for more details on credit risk management.

(4) Inventories, net

	As of December 31,	
	2025	2024
Raw materials	$462,350	$230,564
Work in progress	179,453	36,655
Finished goods	571,703	563,075
Commodities	249,892	89,114
Total	$1,463,398	$919,408

(A) Expenses and loss incurred on inventories were as follows:

	For the years ended December 31,	
	2025	2024
Cost of goods sold	$5,351,769	$2,775,016
Write-downs of inventories	26,203	18,696
Scrap loss	19,984	1,452
Construction costs	3,296	-
Estimated product rights to be returned	(249	(829)
Revenue of leftovers	(6,417)	(7,904)
Total	$5,394,586	$2,786,431

(B) Please refer to Note 8 for further details on pledge for the inventory.

(5) Prepayments

	As of December 31,	
	2025	2024
Prepayment for purchases	$60,936	$93,136
Prepaid testing fees	18,192	-
Prepaid outsourcing fee	15,197	81,598
Other prepayments	430,028	15,021
Total	$524,353	$189,755

(6) Other financial assets

	As of December 31,	
	2025	2024
Restricted trust deposits	$98,083	$25
Restricted demand deposits	628,078	255,007
Restricted time deposits	901,873	144,004
Pledged deposits	8,289	820
Repo bonds	12,032	-
Total	$1,648,355	$399,856
Current	$1,057,786	$268,494
Non-current	$590,569	$131,362

The Group’s proxy receipts from cash flow and logistics service are guaranteed by delivering to trust, which means to enter into a trust contract with a trust management bank, and the proxy receipts will be remitted to the dedicated trust account in accordance with the contract. Subsequently, the trust management bank will remit the proxy receipts to designated members based on the Company's transaction instructions. These proxy receipts deposited in the trust accounts were recognized as “restricted demand deposits” and “restricted trust deposits”.

Please refer to Note 8 for further details on pledged financial assets measured at amortized cost.

(7) Financial assets designated at fair value through profit or loss, noncurrent

	As of December 31,	
	2024	2024
Financial assets designated at fair value through profit or loss:		
China Steel Structure Co., Ltd.	$1,510,453	$-
Microtek International Inc.	251,823	-
NFC Fund III, LP.	227,672	-
Neweb Technologies Co., Ltd.	186,996	-
Wisdom Capital Limited Partnership	112,362	28,253
Jetfi Joint Operation Sgreement	54,829	-
Vertex Venfures (SG) SEA V LP	42,895	18,640
Avision Inc.	37,400	-
Cathy Private Equity Ecology Limited Partnership	34,024	8,102
Outstanding Capital Limited Partnership (Note 2)	28,022	19,808
Others (structured deposits)	26,994	-
Kiwi Campus Inc. convertible preferred shares	24,251	-
Cathy Private Equity Smart Technology Limited Partnership	23,708	20,991
3S Silicon Tech, Inc.	22,740	-
Shenzhen Hemei Jingyi Technology Co., Ltd.	21,581	-
Intellectual Property Innovation Corporation Limited Partnership Fund	17,500	-
B Current Impact Investment	10,000	-
B Current Impact Investment Partnership	10,000	-
Xin Yue Development Venture Capital Limited Partnership	8,894	-
CMC Capital Investment, L.P. Beneficial Certificates	8,496	-
Deluxe Technology Group Ltd.	1,600	-
Film investment agreement (Note 3)	30	651
Embedded derivative	30	30
CMGE Technology Group Limited (Note 1)	-	124,594
Cathy Private Equity Ecology Limited Partnership (Note 4)	-	20,017
Allianz Global Investors Income and Growth Fund	-	1,705
Morgan Stanley Mutual Funds	-	12
Total	$2,662,300	$242,803
Current	$2,031,155	$126,992
Non-current	$631,145	$115,811

Note 1: The Group was approved by the Board of Directors on September 11, 2024 to dispose of the intellectual property rights of Chinese Paladin: Sword and Fairy (excluding China area), the transaction consideration and the acquisition of financial assets at fair value through profit or loss, please refer to note 6,(35) for more details.

Note 2: The Group entered into a limited partnership agreement with Outstanding Capital Limited Partnership with a specified duration in 2025 and 2024. Once the agreement expires, the dissolution and liquidation of the limited partnership will be commenced, and the net assets will be distributed to the investors proportionately. The Group assessed that the net assets of this investment object was nearly equal to its fair value.

Note 3: The profit generated from the film would be allocated to the Group and other corporations based on the signed investment agreement.

Note 4: Upon the expiration of the term of the Cathay Private Equity Ecology Fund, the Company entered into an equity transfer agreement with Cathay Private Equity Co., Ltd. on November 3, 2025. Pursuant to the agreement, the Company received 312 thousand common shares of Deluxe Technology Group Ltd. based on its pro rata interest in the fund.

Please refer to Note 8 for further details on pledged Financial assets designated at fair value through profit or loss.

(8) Financial assets at fair value through other comprehensive income, noncurrent

	As of December 31,	
	2025	2024
Equity instrument investments measured at fair value through other comprehensive income, noncurrent:		
Listed company stocks		
Newretail Co., Ltd.	$8,045	$14,493
Emerging market stocks		
Meimaii Technology Co., Ltd.	1,850	2,707
Private company stocks		
Super Energy Materials Inc.	78,085	68,910
Taiwan Smart Card Co.	16,786	18,794
Hanbang Precision Technology Co., Ltd.	71	71
BLC Group Holding Limited	-	8,208
Total	$104,837	$113,183

Financial assets at fair value through other comprehensive income were not pledged.

(9) Investments accounted for using the equity method

The following table lists the investments accounted for using the equity method of the Group:

	As of December 31,				
	2025		2024		
Investees	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Note
Investments in associates:					
Truelight Corporation	$363,237	12.11%	$-	-	Note 1,2
Jetfi Technology Co., Ltd.	30,943	40.73%	-	-	Note 3
Advagene Biopharma Co., Ltd.	30,760	20.20%	-	-	Note 1,4
Yousing Technology Co., Ltd.	19,283	21.05%	-	-	Note 5
Weida Hi-tech Co., Ltd.	13,346	28.20%	-	-	Note1
Double Edge Entertainment Corp.	7,666	30.31%	10,175	30.31%	
BKS Tec Corp.	-	38.91%	-	-	Note 1,6
Niusnews Co., Ltd.	-	37.56%	51,863	37.56%	Note 7
Chia-e International Inc.	-	28.21%	-	28.21%	
Neweb Technologies Co., Ltd.	-	-	271,256	15.28%	Note 8,9
A.R.T. Games Co., Ltd.	-	-	-	-	Note 10
Ali Corporation	-	-	-	-	Note 11
Total	$465,235		$333,294		

Note 1: In August 2025, the Group's subsidiary Luminous Rise Investment Co., Ltd. obtained control over Taiwan Mask Corporation and its subsidiary and consolidated them into the Group's consolidated financial statements, including their associated companies.

Note 2: In March 2024, the Group's subsidiary Taiwan Mask Corporation acquired 13,500 thousand shares of private placement common shares of Truelight Corporation, with an investment amount of NT$410,400 thousand. As of September 30, 2025, the shareholding ratio was 12.11%, making the Group the single largest shareholder. Accordingly, the Group only had significant influence over Halo Technology Co., Ltd.

Note 3: In October 2025, the Group's subsidiary Chander International Co., Ltd. acquired 31.42% shareholding of Jetfi Technology Co., Ltd. for NT$20,000 thousand, and accordingly obtained significant influence over Jetfi Technology Co., Ltd. In December 2025, the Group's subsidiary Chander International Co., Ltd. participated in the cash capital increase of Jetfi Technology Co., Ltd. for NT$10,000 thousand. As the other shareholders did not subscribe to the newly issued shares in proportion to their shareholdings, the consolidated company's shareholding ratio increased to 40.73%. The investment of the Group's subsidiary Chander International Co., Ltd. in Jetfi Technology Co., Ltd. only represents significant influence. After considering the shareholdings of other investors, the Group's subsidiary Chander International Co., Ltd. determined that it does not have the ability to control the board of directors or shareholders' meetings of Jetfi Technology Co., Ltd.

Note 4: During the first three quarters of 2025, the Group's subsidiary, Taiwan Mask Corporation, disposed of its shareholdings in Advagene Biopharma Co., Ltd. from time to time, resulting in a decrease in the shareholding ratio to 20.20%.

Note 5: In November 2025, the Group's subsidiary, Red Sunrise Technology Co., Ltd., invested in 240 thousand shares of Yousing Technology Co., Ltd. with an investment amount of NT$20,000 thousand.

Note 6: In April 2024, the Group's subsidiary, Taiwan Mask Corporation, acquired 6,000 thousand shares of ordinary shares from the cash capital increase of BKS Tec Corp. with an investment amount of NT$30,000 thousand. As of September 30, 2025, the shareholding ratio was 38.91%, making Taiwan Mask Corporation the single largest shareholder of Berkshire Technology Co., Ltd. However, Taiwan Mask Corporation did not hold a majority of the seats on the Board of Directors and did not actually participate in the major operating and management decisions or operating policies of Berkshire Technology Co., Ltd., including strategic decisions (such as financing, acquisitions, personnel, and dividend policies). In addition, the shareholding of Taiwan Mask Corporation alone was insufficient to meet the statutory quorum at shareholders' meetings. Accordingly, it was assessed that Taiwan Mask Corporation did not have the practical ability to direct the relevant activities and therefore did not have control over Berkshire Technology Co., Ltd., but only exercised significant influence.

Note 7: On January 23, 2024, the Group increased the capital of Niusnews Co., Ltd. by NT$4,272 thousand through Gamebase Digital Media Co., Ltd., resulting in an increase in the shareholding ratio to 37.56%.

Note 8: The Group's subsidiary, Chander International Co., Ltd., originally held three out of seven seats on the Board of Directors of Neweb Technologies Co., Ltd. However, all such directorships were resigned as of June 30, 2025. As a result, Chander International Co., Ltd. ceased to participate in the determination of the financial and operating policies of Neweb Technologies Co., Ltd. and lost its significant influence over such company. Accordingly, the equity method of accounting was discontinued, and the investment previously accounted for using the equity method was reclassified as financial assets measured at fair value through profit or loss. Please refer to Note 6(7) for relevant information.

Note 9: During the period from January 1 to December 31, 2024, the Group disposed of a 14.06% equity interest in Neweb Technologies Co., Ltd. for disposal proceeds of NT$425,480 thousand, resulting in a disposal gain of NT$231,709 thousand. During the period from January 1 to December 31, 2025, the Group disposed of a 1.15% equity interest in Neweb Technologies Co., Ltd. for disposal proceeds of NT$38,540 thousand, resulting in a disposal gain of NT$167,471 thousand.

Note 10: On July 17, 2024, the shareholders' meeting of A.R.T. Games Co., Ltd. resolved to dissolve the Company, and the liquidation process was completed on April 11, 2025.

Note 11: On April 29, 2025, the Group's subsidiary, Yu Chuan Intelligence Co., Ltd., participated in the private placement cash capital increase of Ali Corporation and subscribed for 23,150 thousand shares of private placement common shares for a total amount of NT$500,272 thousand, representing a shareholding ratio of 16.51%. In July 2025, Yu Chuan Intelligence Co., Ltd. obtained half of the seats on the Board of Directors of Ali Corporation and directed its relevant activities, thereby obtaining substantive control. Accordingly, Ali Corporation has been included in the consolidated financial statements from the control acquisition date in July 2025.

A. Investments in Associates

Information on the material associate of the Group:

(1) Company name: Neweb Technologies Co., Ltd.

Nature of the relationship with the associate: Neweb Technologies Co., Ltd. is in the business of information processing services. The Group invested in Neweb Technologies Co., Ltd. for the purpose of business needs.

Principal place of business (country of incorporation): Taiwan

The summarized financial information of the associate is as follows:

	As of December 31, 2024
Current assets	$3,138,163
Non-current assets	719,331
Current liabilities	(2,693,623)
Non-current liabilities	(103,566)
Equity	1,060,305
Property of the Group's ownership	15.28%
Subtotal	165,113
Goodwill	106,143
Carrying amount of the investment	$271,256

	As of December 31, 2024
Operating revenue	$1,458,227
Profit or loss from continuing operations	51,454
Other comprehensive income	(3,903)
Total comprehensive income	$47,551

(2) Truelight Corporation

Nature of the relationship with the associate: Truelight Corporation is in the business of semiconductor services. The Group invested in Truelight Corporation for the purpose of business needs.

Principal place of business (country of incorporation): Taiwan

The summarized financial information of the associate is as follows:

	As of December 31, 2025
Current assets	$447,745
Non-current assets	663,359
Current liabilities	(230,685)
Non-current liabilities	(135,121)
Equity	745,298
Property of the Group's ownership	12.11%
Subtotal	90,259
Goodwill	272,978
Carrying amount of the investment	$363,237

	As of December 31, 2024
Operating revenue	$670,246
Profit or loss from continuing operations	(155,678)
Other comprehensive income	-
Total comprehensive income	$(155,678)

B. The Group's investments in Niusnews Co., Ltd., Double Edge Entertainment Corp., A.R.T. Games Co., and Chia-e International Inc., Advagene Biopharma Co., Ltd., Weida Hi-tech Co., Ltd., BKS Tec Corp., Jetfi Technology Co., Ltd., Yousing Technology Co., Ltd. are not individually material. The aggregate carrying amount of the Group's interests i in Niusnews Co., Ltd., Double Edge Entertainment Corp., A.R.T. Games Co., and Chia-e International Inc., Advagene Biopharma Co., Ltd., Weida Hi-tech Co., Ltd., BKS Tec Corp., Jetfi Technology Co., Ltd., Yousing Technology Co., Ltd. was NT$101,998 thousand and NT$62,039 thousand, as of December 31, 2025 and 2024, respectively. The aggregate financial information is as follows:

	For the years ended December 31,	
	2025	2024
Net loss from continuing operations (Note)	$(89,792)	$(11,379)
Other comprehensive income (net of tax) (Note)	48,379	-
Total comprehensive loss (Note)	$(41,413)	$(11,379)

C. The Group recognized the investment (loss) income based on the financial information of the investees recognized in investments accounted for under the equity method. Such financial information is as follows:

	Investment (loss)/gain	
	For the years ended December 31,	
	2025	2024
Ali Corporation (Note 1)	$(19,291)	$-
Truelight Corporation	(10,785)	-
BKS Tec Corp.	(8,648)	-
Weida Hi-tech Co., Ltd.	(5,294)	-
Advagene Biopharma Co., Ltd.	(4,249)	-
Jetfi Technology Co., Ltd.	(1,456)	-
Yousing Technology Co., Ltd.	(717)	-
Double Edge Entertainment Corp.	(711)	(909)
Niusnews Co., Ltd.	(566)	(2,684)
Neweb Technologies Co., Ltd.	6,110	10,851
A.R.T. Games Co., Ltd.	-	(360)
Total	$(45,607)	$6,898

Note 1: In July 2025, the Group's subsidiary, Yu Chuan Intelligence Co., Ltd., obtained half of the seats on the Board of Directors of Ali Corporation and acquired the ability to direct its relevant activities, thereby obtaining substantive control over Ali Corporation. Accordingly, Ali Corporation has been accounted for as a subsidiary and has been included in the Group's consolidated financial statements from July 2025 onward.

D. For the years ended 2025 and 2024, the Group assessed that the recoverable amount of its equity-method investment in Niunews Co., Ltd. was lower than its carrying amount, and recognized impairment losses of NT$51,297 thousand and NT$39,046 thousand, respectively.

E. As of December 31, 2025 and 2024, the aforementioned associates had no contingent liabilities or capital commitments. For information regarding the pledging of the Group's investments accounted for using the equity method as collateral, please refer to Note 8.

F. We did not audit the financial statements of certain investee companies. Those statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using equity method and information disclosed in Note 13 relating to these equity investments, is based solely on the audit reports of other auditors. These associates and joint ventures under equity method amounted to NT$50,226 thousand and NT$323,118 thousand, representing 0% and 3% of consolidated total assets as of December 31, 2025 and 2024, respectively. The related shares of profit or loss from the associates and joint ventures under the equity method amounted to NT$3,937 thousand and NT$8,167 thousand, representing 0% and 3% of the consolidated (loss) profit before tax for the years ended December 31 2025 and 2024, respectively, and the related shares of other comprehensive income (loss) from the associates and joint ventures under the equity method amounted to NT$0 and NT$(607) thousand, representing 0% and (20)% of the consolidated other comprehensive income for the years ended December 31, 2025 and 2024, respectively.

(10) Property, plant and equipment

	As of December 31,	
	2025	2024 (Adjusted)
A. Owner occupied property, plant and equipment	$12,405,146	$843,502

	Land	Buildings	Machinery and equipment	Construction in progress	Office equipment	Transportation equipment	Other equipment	Leasehold improvements	Construction in progress	Total
Cost:										
As of January 1, 2025 (Adjusted)	$565,740	$117,119	$272,314	$-	$85,411	$3,774	$118,056	$111,238	$-	$1,273,650
Additions	1,131,505	103,094	100,325	-	37,499	41,663	41,913	50,624	-	1,506,623
Disposals	-	(3,987)	(7,223)	-	(6,651)	-	(34,371)	(12,909)	-	(65,141)
Acquire by combination	296,350	3,175,941	10,102,975	64,682	119,436	7,614	1,032,555	9,030	1,573,090	16,381,673
Other changes (Note)	(10,011)	17,497	1,025,309	-	12,934	685	(4,114)	(6)	(1,031,167)	11,127
As of December 31, 2025 (Adjusted)	$1,983,584	$3,409,664	$11,493,698	$64,682	$248,629	$53,736	$1,154,039	$157,977	$541,923	$19,107,932
As of January 1, 2024	$594,076	$140,211	$227,374	$-	$70,415	$3,410	$98,779	$23,504	$-	$1,157,769
Additions	-	7,193	43,585	-	14,242	286	6,861	43,847	-	116,014
Disposals	-	(289)	(3,499)		(3,997)	(227)	(3,088)	(10,338)	-	(21,438)
Acquisition of indirect subsidiaries	-	-	4,470	-	-	305	7,717	53,823	-	66,315
Other changes	(28,336)	(29,996)	382	-	4,751	-	7,787	402	-	(45,010)
As of December 31, 2024 (Adjusted)	$565,740	$117,119	$272,312	$-	$85,411	$3,774	$118,056	$111,238	$-	$1,273,650

Depreciation and impairment:										
As of January 1, 2025 (Adjusted)	$-	$39,182	$185,760	$-	$70,759	$2,586	$101,978	$29,883	$-	$430,148
Depreciation	-	106,786	451,807	3,051	17,747	5,523	80,262	24,676	-	689,852
Disposals	-	(3,542)	(14,469)	-	(6,545)	-	(13,908)	(7,280)	-	(45,744)
Impairment losses	-	-	(42,623)	-	(1,038)	-	(1,203)	(4,401)		(49,265)
Acquire by combination	-	1,347,458	3,614,770	35,531	88,741	4,574	508,173	8,870	-	5,608,117
Other changes (Note)	-	(2,183)	53,325	-	7,500	510	2,190	8,336	-	69,678
As of December 31, 2025 (Adjusted)	$-	$1,487,701	$4,248,570	$38,582	$177,164	$13,193	$677,492	$60,684	$-	$6,702,786
As of January 1, 2024	$-	$43,991	$164,755	$-	$59,929	$1,946	$92,676	$8,884	$-	$372,181
Depreciation	-	5,747	23,116	-	7,954	686	7,002	17,587	-	62,092
Disposals	-	(215)	(3,374)	-	(2,482)	(45)	(2,674)	(7,556)	-	(16,346)
Acquisition of indirect subsidiaries	-	-	-	-	-	-	-	10,258	-	10,258
Other changes	-	(10,341)	1,263	-	5,358	(1)	4,974	710	-	1,963
As of December 31, 2024 (Adjusted)	$-	$39,182	$185,760	$-	$70,759	$2,586	$101,978	$29,883	$-	$430,148
Net carrying amounts as of:										
December 31, 2025 (Adjusted)	$1,983,584	$1,921,963	$7,245,128	$26,100	$71,465	$40,543	$476,547	$97,893	$541,923	$12,405,146
December 31, 2024 (Adjusted)	$565,740	$77,937	$86,552	$-	$14,652	$1,188	$16,078	$81,355	$-	$843,502

Note: Other changes included transfers, reclassifications and effect of foreign currency exchange differences.

B. Please refer to Note 8 for further details on pledged property, plant and equipment.

C. The substantial components of the Group's property, plant and equipment are mainly plant and production equipment, depreciation and have been recorded according to each applicable useful life.

(11) Investment properties

Investment properties includes the Group's own investment properties. The Group has entered commercial property leases for its own investment properties with a lease term of one year, which includes a clause to adjust the rental according to the annual market conditions.

	Land	Building	Total
Cost:			
As of January 1, 2025	$28,336	$31,225	$59,561
Additions - from subsequent expenditures	-	-	-
Acquire by combination	235,313	290,749	525,962
Transfer from property, plant and equipment	-	-	-
As of December 31, 2025	$263,549	$321,974	$585,5232
As of January 1, 2024	$-	$-	$-
Additions - from subsequent expenditures	-	1,228	1,228
Transfer from property, plant and equipment	28,336	29,997	58,333
As of December 31, 2024	$28,336	$31,225	$59,561
Depreciation and impairment:			
As of January 1, 2025	$-	$11,020	$11,020
Depreciation	-	3,692	3,692
Acquire by combination	-	51,888	51,888
Transfer	-	-	-
As of December 31, 2025	$-	$66,600	$66,600
As of January 1, 2024	$-	$-	$-
Depreciation	-	679	679
Transfer	-	10,341	10,341
As of December 31, 2024	$-	$11,020	$11,020

	Land	Building	Total
Net carrying amounts as of:			
December 31, 2025	$263,549	$255,374	$518,923
December 31, 2024	$28,336	$20,205	$48,541

(A)

(B) Rental income and direct operating expenses arising from investment property:

	As of December 31, 2025	As of December 31, 2024
Rental income from investment properties	$18,850	$359
Direct operating expenses from investment property generating rental income	$1,524	$-
Direct operating expenses from investment property not generating rental income	$445	$_

Note 1: The direct operating expenses arising from investment property mainly consisted of house tax and land value tax.

(C) Fair value measurement of investment property

Please refer to Note 8 for more detailed on pledge on investment properties.

(1) The subsidiary, Spectrum Electric Co., Ltd.

The investment properties held by the Spectrum Electric Co., Ltd. are not measured at fair value, and only information about their fair value is disclosed, and their fair value hierarchy is Level 3. The fair value of the Group's investment properties were NT$59,350 thousand and NT$52,565 thousand as of December 31, 2025 and 2024, respectively. The fair values were determined by independent external appraisers based on market evidence. The valuation techniques applied were the comparative approach and the direct capitalization method.

(2) The subsidiary, Taiwan Mask Corporation

The investment properties held by the Taiwan Mask Corporation are not measured at fair value, and only information about their fair value is disclosed. The fair value hierarchy of such investment properties is Level 3. The fair value of the investment properties held by the Group was NT$92,139 thousand as of December 31, 2025, which was determined by appointing independent external appraisers. The fair value was determined based on market evidence. The valuation methods used as of December 31, 2025 were the comparative method and the direct capitalization method.

	December 31, 2025
Discount rate	3.69%~5.56%
Annual rent (net income)	$17,995
Number of years	45~50

(1) The subsidiary, Ali Corporation

The investment properties held by ALi Corporation are not measured at fair value, and only information about their fair value is disclosed. The fair value hierarchy of such investment properties is Level 3. The fair value of the investment properties held by the Group was NT$743,401 thousand as of December 31, 2025, which was determined by appointing independent external appraisers. The fair value was determined based on market evidence. The valuation method used as of December 31, 2025 was the income approach.

(12) Intangible assets

	Trademarks	Computer software	Game Royalty	Technology of patent	Goodwill	Other intangible assets	Total
Cost:							
As of January 1, 2025 (Adjusted)	$52,757	$211,394	$33,184	$22,266	$1,022,295	$591,423	$1,933,319
Addition-acquired separately	-	28,054	13,160	68,879	-	7,835	117,928
Deduction-derecognized	-	(18,833)	-	-	-	-	(18,833)
Acquire by combination	276,588	900,102	-	571,874	1,099,239	33,333	2,881,136
Other changes (Note)	(1,729)	(564,679)	(15,315)	(362,131)	(2,785)	429	(946,210)
As of December 31, 2025	$327,616	$556,038	$31,029	$300,888	$2,118,749	$633,020	$3,967,340
As of January 1, 2024	$35,988	$183,752	$23,951	$24,295	$970,211	$577,028	$1,815,225
Addition-acquired separately	-	19,622	9,233	-	-	7,386	36,241
Deduction-derecognized	-	(748)	-	(2,885)	-	(11,578)	(15,211)
Acquire by combination	16,217	213	-	-	50,959	19,438	86,827
Other changes (Note)	552	8,555	-	856	1,125	(851)	10,237
As of December 31, 2024 (Adjusted)	$52,757	$211,394	$33,184	$22,266	$1,022,295	$591,423	$1,933,319
Amortization and impairment:							
As of January 1, 2025 (Adjusted)	$35,988	$176,467	$31,708	$20,276	$-	$116,280	$380,719
Amortization	11,284	50,107	14,636	13,939	-	43,871	133,837
Impairment	54,720	2,330	-	97,690	59,165	-	213,905
Deduction-derecognized	-	(18,827)	-	-	-	-	(18,827)
Acquire by combination	112,564	812,052	-	423,349	62,888	16,111	1,426,964
Other changes (Note)	-	(565,645)	(15,315)	(366,447)	-	11,656	(935,751)
As of December 31, 2025	$214,556	$456,484	$31,029	$188,807	$122,053	$187,918	$1,200,847
As of January 1, 2024	$27,395	$155,064	$19,633	$18,325	$-	$71,234	$291,651
Amortization	-	13,543	12,075	1,951	-	45,089	72,658
Impairment	8,593	-	-	2,885	-	-	11,478
Deduction-derecognized	-	(332)	-	(2,885)	-	(13)	(3,230)
Acquire by combination	-	75	-	-	-	-	75
Other changes	-	8,117	-	-	-	(30)	8,087
As of December 31, 2024 (Adjusted)	$35,988	$176,467	$31,708	$20,276	$-	$116,280	$380,719
Net carrying amount as of:							
December 31, 2025	$113,060	$99,554	$-	$112,081	$1,996,696	$445,102	$2,766,493
December 31, 2024 (Adjusted)	$16,769	$34,927	$1,476	$1,990	$1,022,295	$475,143	$1,552,600

Note: Other changes included reclassifications and effect of foreign currency exchange differences.

Amortization expense of intangible assets under the statement of comprehensive income:

	For the years ended December 31,	
	2025	2024
Operating costs	$29,640	$13,073
Sales and marketing expenses	$31,577	$13,806
Administrative expense	$28,823	$42,894
Research and development expense	$43,797	$2,885

Trademark rights are conveyed for a limited term 10 years that can be renewed, the Group has the intention and ability to extend the useful life continuously. Due to no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity for intangible assets. An intangible asset with an indefinite useful life should not be amortized. However, the amortization period should be reviewed at least annually. Please refer to Note 6 (13) for details.

(13) Impairment test for goodwill and intangible asset with an indefinite useful life

For impairment testing, goodwill and intangible asset with an indefinite useful life acquired through business combinations has been allocated to 6 cash-generating units as follows:

A. Power distribution machinery manufacturing unit
B. Electronic parts and components unit
C. Network application unit
D. Electronic products unit
E. Third-party payment unit
F. Semiconductor manufacturing unit
G. Catering unit
H. Others unit

Carrying amount of goodwill and intangible asset with an indefinite useful life allocated to each cash-generating unit:

	As of December 31,			
	2025		2024	
	Trademark	Goodwill	Trademark	Goodwill
Semiconductor manufacturing unit	$97,001	$968,086	$-	$-
Power distribution machinery manufacturing unit	-	494,069	-	494,069
Electronic parts and components unit	-	147,718	-	147,718
Network application unit	-	141,256	-	140,169
Electronic products unit	-	97,215	-	97,215
Third-party payment unit	-	88,328	-	88,328
Catering unit	16,059	48,233	16,217	53,059
Others unit	-	11,791	-	2,712
Total	$113,060	$1,996,696	$16,217	$1,023,270

Cash-generating unit of power distribution machinery manufacturing

The recoverable amount of electrical machinery manufacturing cash generating unit was determined based on the value in use which is calculated according to the forecasted cash flow in five-year-financial budget approved by the management. The gross profit margin is forecasted by the management with reference to historical gross profit margins. The calculation of discount rate is based on the specific circumstances of the Group and its operating segments, derived from its weighted average cost of capital (WACC). For the forecasts of cash flow used in 2025 and 2024, the post-tax discount rate were 12.40% and 13.06%. Cash flows beyond the five-year period were extrapolated at a growth rate of 1.5% in 2025 and 2024, which approximated the long-term average growth rate of the relevant industry. Based on the above key assumptions, the calculation of recoverable amount and the carrying amount of assets and goodwill allocated to the cash-generating unit for operational use as of the assessment date are compared. Management believes that there was no impairment of goodwill allocated to this cash-generating unit for the year ended December 31, 2025 and 2024.

Cash-generating unit of electronic parts and components

The goodwill of electronic parts and components unit was acquired through the combination of Chander Electronics Corp. and its subsidiaries in April 2022. The recoverable amounts as of December 31, 2025 and 2024 have been determined based on the fair value less costs to sell, and the fair value was assessed based on market approach. Based on the abovementioned analysis, the management assessed that the goodwill was not impaired as of December 31, 2025 and 2024.

Cash-generating unit of network application

The goodwill of network application unit was acquired through the combination of Array Inc. and its subsidiaries in April 2022. The recoverable amounts as of December 31, 2025 and 2024 have been determined based on the fair value less costs to sell, and the fair value was assessed based on market approach. Based on the abovementioned analysis, the management assessed that the goodwill was not impaired as of December 31, 2025 and 2024.

Cash-generating unit of electronic products

The goodwill of electronic products unit was acquired through the combination of Spectrum Electronics Co., Ltd. and its subsidiary, Hang Zheng Technology Co., Ltd., in 2021. The recoverable amounts as of December 31, 2025 and 2024 have been determined based on the fair value less costs to sell, and the fair value was assessed based on market approach. Based on the abovementioned analysis, the management assessed that the goodwill was not impaired as of December 31, 2025 and 2024.

Cash-generating unit of third-party payment

The recoverable amount of third-party payment unit was determined based on the value in use which is calculated according to the forecasted cash flow in five-year-financial budget approved by the management. The forecasted cash flow was updated to inflect the changes of the demands for the related products. The after-tax discount rates of the forecasted cash flow in 2025 and 2024 were 15.15% and 15.86%, respectively, with the growth rate of the cash flow in the period more than 5 years in 2024 was 1%. The growth rate is equivalent to the long-term growth rate of the industry. Based on the abovementioned analysis, the management assessed that the goodwill allocated to the cash-generating unit was not impaired.

Cash-generating unit of Semiconductor manufacturing

The goodwill of the cash-generating unit for semiconductor manufacturing from the acquisitions of Ali Corporation and Taiwan Mask Corporation in July and August 2025, respectively. The amount of goodwill was initially recognized based on provisional fair value assessments. The Group has engaged independent valuation specialists to perform the valuations, as of the date of approval and issuance of the financial statements for the year ended December 31, 2025, the valuation results have not been obtained.

Cash-generating unit of Catering

The goodwill of the cash-generating unit for food and beverage services arose from the investment and establishment of Zhu Internation Group Inc. in 2023. The recoverable amount was determined based on value in use; however, as of December 31, 2025 and December 31, 2024, the recoverable amount was determined based on fair value less costs of disposal. The fair value was measured using the market approach. Based on the results of the aforesaid analysis, management assessed that no impairment of goodwill existed as of December 31, 2025 and December 31, 2024.

Cash-generating unit of others

The recoverable amount of others unit was determined based on the value in use which is calculated according to the forecasted cash flow in five-year-financial budget approved by the management. The gross profit margin used in the forecasts of cash flow is based on the average gross profit margin achieved prior to the commencement of the financial budget period, and it is expected to increase during the budget period due to efficiency improvement, and the forecasted cash flow was updated to reflect the changes of the demands for the related products. The recoverable amounts as of December 31, 2025 and December 31, 2024 were determined based on fair value less costs of disposal. The fair value was measured using the market approach. Based on the results of the aforesaid analysis, management assessed that no impairment of goodwill existed as of December 31, 2025 and December 31, 2024.

(14) Short-term borrowings

Details of short-term loans are as follows:

	As of December 31, 2025			
	Currency	Interest Rate	Expiration date	Amount
Secured bank loan	NTD	0.50%~5.78%	2026.1~2026.12	$4,849,309
Unsecured bank loan	NTD	1.60%~8.50%	2026.1~2026.12	2,049,872
Total				$6,899,181

	As of December 31, 2024			
	Currency	Interest Rate	Expiration date	Amount
Secured bank loan	NTD	2.26%~3.75%	2024.9~2025.12	$651,698
Unsecured bank loan	NTD	2.26%~8.50%	2024.9~2025.12	149,921
Total				$801,619

The Group's unused short-term line of credit amounted to NT$1,257,977 thousand and NT$1,100,946 thousand as of December 31, 2025 and 2024, respectively.

Please refer to Note 8 for further details on pledged short-term bank loans.

(15) Accounts Payable and Accounts Payable - Related Parties

	As of December 31,	
	2025	2024
Designated as measured at fair value through profit or loss:		
Convertible Bonds (Note)	$25,000	$-
Held for trading:		
Separation of embedded derivatives - put right	2,370	2,610
Total	$27,370	$2,610
Current	$25,000	$-
Non-current	$2,370	$2,610

Note: The Group's subsidiary, Taiwan Mask Corporation, recognized financial liabilities designated at fair value through profit or loss upon initial recognition amounting to NT$25,000 thousand, which represent convertible bonds issued by the Group's second-tier subsidiary, Innvoa Vision Inc. (hereinafter referred to as "Innvoa Vision"). As the convertible bonds constitute a hybrid instrument, Innvoa Vision designated the entire convertible bonds payable as financial liabilities measured at fair value through profit or loss upon initial recognition. The issuance terms of Innvoa Vision's first domestic secured convertible bonds issued in 2025 are described as follows:

A. Innvoa Vision Inc. issued its first domestic secured convertible bonds in an aggregate principal amount of NT$75,000 thousand, bearing a coupon interest rate of 2.7% and having a maturity period of five years. The convertible bonds were issued in tranches. The circulation period of the first tranche is from December 18, 2025 to December 18, 2030. Upon maturity, the convertible bonds will be redeemed in a lump sum by cash at par value together with any accrued but unpaid interest held by the bondholders.

B. The holders of the convertible bonds are entitled, at any time from the day following the expiration of one month from the issuance date of the bonds up to the maturity date, to request conversion of the bonds into ordinary shares of Innvoa Vision Inc., except during the periods when (i) the transfer of shares is suspended due to stock dividends without consideration, cash dividend record dates, or cash capital increase subscription record dates, (ii) the transfer of shares is suspended on the record date for capital reduction, or (iii) the transfer of ordinary shares of Innvoa Vision Inc. is otherwise suspended in accordance with applicable laws and regulations, during which conversion requests shall not be accepted. The ordinary shares issued upon conversion shall rank pari passu in all respects with the ordinary shares previously issued.

C. The conversion price of the convertible bonds was determined in accordance with the pricing model prescribed in the conversion provisions. Subsequently, if any events specified under the anti-dilution provisions occur, the conversion price shall be adjusted in accordance with the pricing model stipulated in the conversion provisions. Furthermore, on each base date prescribed in the conversion provisions, the conversion price shall be re-determined in accordance with the applicable pricing model. As of December 31, 2025, the conversion price was New Taiwan Dollars ten (NT$10) per share.

D. From the third anniversary of the issuance date of the convertible bonds up to thirty days prior to the expiration of the issuance period, Innvoa Vision Inc. may, upon giving at least thirty days' prior written notice to the bondholders, redeem the convertible bonds early in cash in accordance with the relevant provisions. Notwithstanding the foregoing, the bondholders may still, prior to the redemption date specified in the notice, request conversion of the convertible bonds into ordinary shares of Innvoa Vision Inc.

E. In accordance with the conversion provisions, all convertible bonds of Innvoa Vision Inc. that have been redeemed or converted shall be cancelled and may not be resold or reissued, and the conversion rights attached thereto shall be extinguished concurrently.

Please refer to Note 12 (18) for further details on price risk and fair value information related to financial liabilities measured at fair value through profit or loss.

(16) Accounts Payable and Accounts Payable - Related Parties

	As of December 31,	
	2025	2024
Accounts payable	$957,855	$476,986
Accounts payable - related parties	560	301
Total	$958,415	$477,287

The Group has established the financial risk management policy to ensure that all payables are settled within the predetermined credit terms.

(17) Other payables

	As of December 31,	
	2025	2024
Salary payable	$331,159	$33,329
Liability for compensation payable related to equity investments	267,744	81,617
Equipment payable	248,269	-
Maintenance payable	240,101	-
Intangible assets payable	64,971	-
VAT payable	76,259	-
Royalties payable	28,362	27,479
Service fees payable	3,319	-
Other accrued expenses	586,879	181,200
Total	$1,847,063	$323,625

Note 1: Please refer to Note 6 (18) for further details on liability for compensation payable related to equity investments.

Note 2: Please refer to Note 6 (33) for further details on contingent consideration payable for acquisition of equity interests.

(18) Provision – current

	As of December 31,	
	2025	2024
Equity investment compensation liability	$97,981	$-
Provision for sales returns and allowances - current	20,105	544
Warranty provision	4,909	-
Total	$122,995	$544

In 2022, the Group's subsidiary, ALi Corporation, invested in AIXlink Technology (Chengdu) Co., Ltd. (hereinafter referred to as "AIXlink") through its wholly owned subsidiary, ALi Innovations Corporation (hereinafter referred to as "ALi Innovations"). During the same year, ALi Innovations and the team shareholders of AIXlink entered into a supplemental capital increase agreement with other investors of AIXlink. Pursuant to the supplemental agreement, AIXlink is obligated to avoid any circumstances that may adversely affect its future application for a public offering and listing in the capital markets. Otherwise, the other investors are entitled to require ALi Innovations and the team shareholders of AIXlink to negotiate with them and compensate for losses arising from their equity investments through the repurchase of the equity interests in AIXlink held by such investors. The circumstances stipulated in the supplemental agreement under which AIXlink shall avoid triggering the rights of other investors to request negotiations for equity investment compensation from shareholders such as ALi Innovations are summarized as follows:

A. AIXlink Technology (Chengdu) Co., Ltd. failed to satisfy the requirements set forth under the agreement, namely, the failure of the Company to submit initial public offering application materials to an A-share market (Main Board, STAR Market, or ChiNext) of a securities exchange in Mainland China, or to any other capital market approved by the relevant authorized bodies (such as the shareholders' meeting), on or before December 31, 2025.
B. Any circumstance resulting in a change in control of AIXlink Technology (Chengdu) Co., Ltd. occurring without obtaining a resolution of the board of directors as stipulated under the capital increase agreement.
C. Subsequent to the closing date of the investment, any other circumstances that, as confirmed by an accounting firm, law firm, or securities firm recognized by all parties, constitute a material impediment to the qualification of AIXlink Technology (Chengdu) Co., Ltd. for listing, or the discovery of any other circumstances that constitute a material impediment to such qualification for listing and cannot be remedied.
D. Subsequent to the closing date of the investment, any circumstance in which, without the consent of the investors, any shareholder of AIXlink Technology (Chengdu) Co., Ltd. pledges, directly or indirectly, the equity interests held in AIXlink, thereby potentially resulting in a change in the actual controller or controlling shareholder of AIXlink Technology (Chengdu) Co., Ltd.
E. Failure of AIXlink Technology (Chengdu) Co., Ltd. to comply with the provisions relating to anti-dilution as stipulated in the capital increase agreement.
F. Circumstances where investors discover that AIXlink Technology (Chengdu) Co., Ltd. or its shareholders have concealed from the investors information that may have a material adverse effect on the operating activities or financial condition of AIXlink, including, but not limited to, the concealment of liabilities, contingent liabilities, other matters that may cause losses to AIXlink, or information that constitutes a material impediment to AIXlink's qualification for listing.

G. The occurrence of any material violation of laws or regulations by AIXlink Technology (Chengdu) Co., Ltd. and/or ALi Innovations Corporation and the team shareholders, or the imposition of any criminal penalties thereon.

H. The occurrence of any material integrity issues involving AIXlink Technology (Chengdu) Co., Ltd. and/or ALi Innovations Corporation and the team shareholders, including, but not limited to, engagement in competing businesses, transfer or concealment of assets, off-book sales, or other similar misconduct.

I. Circumstances where AIXlink Technology (Chengdu) Co., Ltd. materially violates the relevant provisions of its articles of incorporation or the capital increase agreement in the course of its operations, thereby causing material losses to the investors and/or AIXlink Technology (Chengdu) Co., Ltd.

J. Circumstances where AIXlink Technology (Chengdu) Co., Ltd., for reasons other than force majeure, suspends or ceases its operations for an accumulated period of five or more working days during the course of its business operations.

K. The occurrence of any material litigation or arbitration involving AIXlink Technology (Chengdu) Co., Ltd., ALi Innovations Corporation, and the team shareholders, the legal representative, and/or the chairman, in which any of the foregoing parties acts as a defendant or respondent in the relevant judicial or arbitration proceedings. (For purposes of the foregoing, the term “material” refers to cases involving an amount equal to or exceeding RMB 10 million.)

L. Circumstances where AIXlink Technology (Chengdu) Co., Ltd. is investigated, shut down, or subjected to severe penalties by the relevant governmental authorities due to its failure to obtain or duly maintain the required business qualifications, licenses, or permits, which it is obligated to obtain, thereby resulting in an inability to continue its operations.

M. Any circumstance where the equity interests in AIXlink Technology (Chengdu) Co., Ltd. directly or indirectly held by ALi Innovations Corporation and the team shareholders are subject to a substantial transfer of ownership, or where there exists a potential risk of such a transfer, as a result of a third party exercising pledge rights or other similar causes.

N. Any material adjustment to the production and operations or scope of business of AIXlink Technology (Chengdu) Co., Ltd. that is made without obtaining the prior written consent of the investors.

O. Any other circumstances which, based on common sense and reasonable and rational judgment, would result in investors being treated in an unequal or unfair manner, thereby causing the continued holding of the Company’s equity interests to result in material losses to the investors or render them unable to achieve their expected investment returns.

P. Any circumstance in which ALi Innovations Corporation and the team shareholders use the principal amount of the investment funds paid by the investors for any purposes other than those stipulated in the capital increase agreement.

Q. In the event that any key management personnel of AIXlink Technology (Chengdu) Co., Ltd. resigns and no suitable replacement is appointed to fill such position(s) within 120 days, AIXlink Technology (Chengdu) Co., Ltd. and ALi Innovations Corporation agree that, upon the occurrence of such circumstances, they shall use their best efforts to assist in identifying and appointing suitable replacement personnel.

Pursuant to the supplemental provisions to the capital increase agreement, AIXlink Technology (Chengdu) Co., Ltd. is, in principle, required to avoid the occurrence of the foregoing circumstances as well as those stipulated in the agreement. Unless the parties subsequently negotiate and reach mutual consent, the other investors shall be entitled to require ALi Innovations Corporation and the team shareholders of AIXlink to enter into negotiations with the other investors to facilitate the acquisition of all or part of the equity interests in AIXlink held by the other investors.The compensation price payable upon such repurchase shall be negotiated on the basis of the other investors' investment amount plus simple interest calculated at an annual rate of 8%.

In 2023, ALi Innovations Corporation assessed that there were no clear violations of the relevant contractual provisions. However, it was noted that the operating performance of AIXlink Technology (Chengdu) Co., Ltd. during 2023 was below expectations and that the anticipated capital injection could not be obtained in the fourth quarter of the same year. As a result, AIXlink might be unable to maintain sufficient working capital in the future, thereby increasing the likelihood of triggering the compensation provisions. Based on comprehensive considerations to mitigate operational risks and to support long-term business development, the Group initiated negotiations regarding the potential repurchase. Accordingly, in 2023, the Group engaged independent external valuation specialists to estimate and measure the potential compensation amount and recognized the related provision for liabilities. In December 2024, the Group successively entered into agreements with certain other investors to repurchase their equity interests in AIXlink Technology (Chengdu) Co., Ltd. pursuant to the newly executed agreements. Under the terms of the new agreements, the annual interest rate applied to the compensation payable for the repurchase was adjusted from 8% to 4%. As a result, the Group reversed provisions for liabilities amounting to NT$13,665 thousand and accrued interest payable of NT$10,148 thousand, and reclassified provisions for liabilities to other payables in the amount of NT$267,744 thousand. Please refer to Note 6 (17) for further details.

As further described above, under the same supplemental provisions to the capital increase agreement, ALi Innovations Corporation and the team shareholders of AIXlink Technology (Chengdu) Co., Ltd. also agreed with the other investors of AIXlink that, following the investment, AIXlink would use its best efforts to achieve cumulative operating revenues of not less than RMB 700 million for the period from 2022 to 2024. In the event that AIXlink fails to achieve the cumulative operating revenue target of RMB 700 million over the three-year period, ALi Innovations Corporation and the team shareholders of AIXlink shall provide equity compensation to the other investors in accordance with the calculation method stipulated in the supplemental provisions to the capital increase agreement.

As of December 31, 2025, the calculation period for the performance target had expired. In accordance with the terms of the new agreements entered into between the Group and certain other investors as described above, the original supplemental provisions to the capital increase agreement were terminated and ceased to have any effect. However, as certain investors had not yet entered into the new agreements and AIXlink Technology (Chengdu) Co., Ltd. failed to achieve the performance targets stipulated in the supplemental provisions to the capital increase agreement, the equity compensation relating to the aforesaid performance targets was triggered.

(19) Other current liabilities

	As of December 31,	
	2025	2024
Receipts under custody from third-party payment	$156,250	$194,484
Others	120,428	98,681
Total	$276,678	$293,165

The Group’s receipts under custody from third-party payment are receipts from members’ transactions.

(20) Long-term borrowings

A. Details are as follows:

	As of December 31, 2025			
	Currency	Interest Rate	Expiration date	Amount
Secured bank loan (Note1)	NTD	2.10%~10.78%	2026.2~2040.8	$6,665,684
Unsecured bank loan	NTD	0.80%~5.75%	2026.5~2032.8	70,619
Inventory financing borrowings (Note2)	NTD	2.42%~6.50%%	2027.1~2028.7	116,135
Subtotal				6,852,438
Less: current portion				(2,113,542)
Total				$4,738,896

	As of December 31, 2024			
	Currency	Interest Rate	Expiration date	Amount
Secured bank loan (Note1)	NTD	2.22%~3.68%	2025.2~2029.2	$430,916
Unsecured bank loan	NTD	2.53%~2.95%	2026.5~2026.8	22,666
Inventory financing borrowings (Note2)	NTD	6.64%	2027.1	19,321
Subtotal				472,903
Less: current portion				(116,594)
Total				$356,309

Note 1: In July 2023, San Jiang Electric MFG. Co., Ltd. entered into a credit agreement with CTBC Bank with a total amount of NT$330 million, which is a medium-to long-term loan and is not revolving. The credit agreement requires San Jiang Electric MFG. Co., Ltd. to meet certain financial ratios and standards starting from 2023 during the loan period. The financial statements of San Jiang Electric MFG. Co., Ltd. for the years ended December 31, 2025 and 2024, which were audited by a certified public accountant, did not violate the financial ratios of the credit agreement, and therefore had no significant impact on the financial statements of San Jiang Electric MFG. Co., Ltd.

Note 2:Chander Electronics Corp. made cash deposits of margin assets to obtain inventory financing. In addition, Chander Electronics Corp. pledged assets and Mr. Tu Chun Rong, the chairman of the board of directors of Chander Electronics Corp. provided endorsement and guarantee for the company to secure bank loans, please refer to Note 8 for further details.

Please refer to Note 8 for further details on pledged long-term borrowings.

(21) Bonds payable

	As of December 31,	
	2025	2024
Conversion of domestic bonds payable	$2,245,100	$241,771
Less: current portion	-	-
Total	$2,245,100	$241,771

(1) Conversion of domestic bonds payable

	As of December 31,	
	2025	2024
Liability:		
Principal amount	$4,600,000	$300,000
Related party transactions eliminated (Note)	(40,000)	(40,000)
Amount of exercised conversion options	(325,200)	-
Premiums (discounts) on bonds payable	(16,130)	(18,229)
Subtotal	4,218,670	241,771
Exercised the put option Bonds	(1,576,900)	-
Redeemed the bonds before maturity	(299,416)	-
Less: current portion	(97,254)	-
Total	$2,245,100	$241,771
Embedded derivative-asset	$30	$30
Embedded derivative-liability	$2,370	$2,610
Equity component	$17,820	$17,820

Note 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 September 30, 2025, the conversion price was NT$74.50 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 September 30, 2025, a total amount of NT$325,200 had been converted into 3,743 thousand shares of common stock.

(7) As of September 30, 2025, 15,769 convertible bonds were redeemed at the price of NT$100 per bond; the repurchase amount was NT$1,576,900.

(8) During the issuance of the convertible bonds of the Group, according to the regulations of IAS 32 "Financial Instruments: Presentation", the conversion right of equity nature is separated from the liability component, which is recognized under the "Capital surplus - subscription right" at an amount of 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%.

Note 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.

Note 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.

Note 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.

Note 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.

Note 6: 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 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.

Note 7:Chander Electronics Corp. a subsidiary of the Company, purchased 400 domestic convertible bonds of the Company in Q3 of 2024, and the transaction was written off when the consolidated financial statements were prepared.

Please refer to Note 6 (29) for the amount of Embedded derivative – Redemption Valuation Gains and Losses and Interest Expense on Bond Recognition.

(2) The Company issued the second domestic unsecured convertible bonds on September 10, 2024, with the following terms :

A. Total issued amount: NT$300,000 thousand.

B. Issue price: 101% of par value.

C. Issue period: September 10, 2024 to September 10, 2027

D. Important redemption terms:

(a) From the day after the expiration of three months from the date of issuance (December 11, 2024) to the forty days before the expiration of the issue date (August 1, 2027), if the closing price of the Company's ordinary shares at the business premises of the securities dealer, exceeds the current conversion price by 30% (inclusive) for 30 consecutive business days, the Company may notify the Company to withdraw the outstanding convertible bonds in cash according to the face value of the bonds.

(b) From the day after the expiration of three months from the date of issuance (December 11, 2024) to the forty days before the expiration of the issue date (August 1, 2027), if the outstanding balance of the converted bonds is less than 10% of the total amount of the original issuance, the Company may recover the outstanding outstanding bonds in cash according to the face value of the bonds at any time.

(c) If the bondholder fails to reply in writing to the Company's stock agency before the base date of the bond call as stated in the Bond Call Notice, the Company will recover the bond in cash within five business days after the base date of the call.

E. Conversion method:

(a) Conversion subject : Common shares.

(b) Conversion Period: Bondholders may apply for conversion into ordinary shares instead of cash repayment from the day following the expiration of three months from the date of issuance (December 11, 2024) to the maturity date (September 10, 2027) of the convertible bonds, except for the period of suspension of conversion stipulated in the conversion measures.

(c) Conversion Price and Adjustment: The conversion price shall be set at NT$67 per share when issued. And in the event of an adjustment of the conversion price of the Company's ordinary shares in accordance with the provisions of the offering regulations, the conversion price shall be adjusted in accordance with the formula prescribed in the offering regulations.

(d) Maturity date: When the convertible bond has not been converted at maturity, it will be redeemed according to the face value of the bond.

(22) Post-employment benefits

Defined contribution plan

The Company and its domestic subsidiaries adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, and the Company and its domestic subsidiaries will make monthly contributions of no less than 6% of the employee’s monthly wages to the employees’ individual pension accounts. The Company and its domestic subsidiaries have made monthly contributions of 6% of each individual employee’s salaries or wages to employees’ pension accounts. In addition, the employees of Changsha Zecheng Technology Co., Ltd. in China are members of a state-managed retirement benefit plan operated by the government of China. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

Expenses under the defined contribution plan for the years ended December 31, 2025 and 2024 are NT$55,427 thousand and NT$24,182 thousand, respectively.

Defined benefits plan

The Company and its domestic subsidiaries adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor standards Act, The Company and its domestic subsidiaries contribute an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. At the end of each year, if the balance in the designated labor pension reserve funds is inadequate to cover the benefit estimated to be paid in the following year, the Company and its domestic subsidiaries will make up the difference in one appropriation before the end of March in the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the regulations for revenues, expenditures, safeguard and utilization of the labor retirement fund. The pension fund is invested in-house or under mandate, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury funds can be used to cover the deficits after the approval of the competent authority. As the Company does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Group expects to contribute NT$12,989 thousand to its defined benefit plan during the 12 months after December 31, 2025.

The weighted-average durations of the defined benefits plan obligation were 8 years and 9 years as of December 31, 2025 and 2024, respectively.

Pension costs recognized in profit or loss for the years ended December 31, 2025 and 2024:

	For the years ended December 31,	
	2025	2024
Current period service costs	$107	$99
Interest income or expense	(33)	19
Total	$74	$118

Reconciliation of present value of the pension obligation under defined benefit pension plans and fair value of the plan assets are as follows:

	As of		
	December 31, 2025	December 31, 2024	January 1, 2024
Present value of the pension obligation under defined benefit pension plans	$(6,805)	$18,051	$24,066
Fair value of plan assets	3,331	(20,053)	(22,272)
Net defined benefit liabilities, noncurrent	$(3,474)	$(2,002)	$1,794

Reconciliation of liability (asset) of the defined benefit plan are as follows:

	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability /(asset)
As of January 1, 2024	$24,066	$(22,272)	$1,794
Current period service costs	99	-	99
Net interest expense (income)	290	(271)	19
Subtotal	389	(271)	118
Remeasurements of the net defined benefit (asset) liability:			
Actuarial gains and losses arising from changes in financial assumptions	(652)	-	(652)
Experience adjustments	(418)	(1,108)	(1,526)
Remeasurements of the defined benefit asset	-	(1,372)	(1,372)
Subtotal	(1,070)	(2,480)	(3,550)
Payments from the plan	(5,334)	5,334	-
Contributions by employer	-	(364)	(364)

	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability /(asset)
As of December 31, 2024	18,051	(20,053)	(2,002)
Current period service costs	107	-	107
Net interest expense (income)	289	(322)	(33)
Subtotal	396	(322)	74
Remeasurements of the net defined benefit (asset) liability:			
Actuarial gains and losses arising from changes in financial assumptions	281	-	281
Experience adjustments	(671)	(775)	(1,446)
Remeasurements of the defined benefit asset	-	(835)	(835)
Subtotal	(390)	(1,610)	(2,000)
Payments from the plan	(6,347)	4,252	(2,095)
Contributions by employer	-	(267)	(267)
Acquisition of Subsidiaries	(18,515)	21,331	2,816
As of December 31, 2025	$(6,805)	$3,331	$(3,474)

The following significant actuarial assumptions are used to determine the present value of the defined benefit obligation:

	As of December 31,	
	2025	2024
Discount rate	1.30%-1.60%	1.60%-1.65%
Expected rate of salary increases	2.00%-2.125%	2.00%-2.125%

Sensitivity analysis:

	2025		2024	
	Increase in defined benefit obligation	Decrease in defined benefit obligation	Increase in defined benefit obligation	Decrease in defined benefit obligation
Discount rate increase by 0.25%	$	$(817)	$-	$(393)
Discount rate decrease by 0.25%	809	-	407	-
Future salary increase by 0.25%	1,008	-	704	-
Future salary decrease by 0.25%	-	(964)	-	(637)

The sensitivity analyses above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analyses compared to the previous period.

(23) Equities

(A) Common stock

The Company's authorized capital was NT$1,300,000 thousand as of December 31, 2025 and 2024. The Company has issued capital amounted to NT$1,090,911 thousand and NT$1,091,861 thousand, with 109,091 thousand shares and 109,186 thousand shares, respectively, each at a par value of NT$10. Each share has one voting right and a right to receive dividends.

On August 11, 2023, the Board of Directors of the Company resolved to issue 1,670 thousand restricted employee shares for employee, at a par value of NT$10 per share, totaling NT$16,700 thousand, and set August 11, 2023 as the record date for the capital increase. This capital increase was approved by the competent authority, and the change registration was completed on September 1, 2024. In 2025 and 2024, the Company forfeited and cancelled 70 thousand and 107 thousand shares, respectively, of issued but unvested restricted shares for employee in accordance with the issuance play. The aforementioned capital reduction arising from such cancellation was approved by the competent authority and the relevant change registration procedures were completed.

On August 13, 2024, the Board of Directors of the Company resolved to issue 210 thousand new shares of restricted employee stock, at a par value of NT$10 per share, totaling NT$2,100 thousand, and set August 20, 2024 as the record date for the capital increase. The capital increase was approved by the competent authority, and the change registration was completed on September 16, 2024. In 2025, the Company repurchased and cancelled 25 thousand shares of issued but unvested restricted employee stock in accordance with the issuance regulations. The capital reduction resulting from such cancellation was approved by the competent authority, and the change registration procedures were completed.

On May 24, 2024, the Board of Directors of the Company decided to issue 5,200 thousand ordinary shares at a subscription price of NT$65 per share, and the paid-in share proceeds of NT$338,000 thousand were fully collected on July 17, 2024, and were approved on August 28, 2024, and the change of registration has been completed.

(B) Capital surplus

	As of December,	
	2025	2024
Additional Paid-in Capital	$536,866	$505,951
Difference between consideration and carrying amount of subsidiaries acquired	283,593	33,028
Share of changes in net assets of associates and joint ventures accounted for using equity method	67,835	5,418
Stock options	17,820	10,992
Donated assets	16,674	70,943
Treasury shares	10,992	17,820
Restricted employee stock	-	13,601
Total	$933,780	$657,753

According to the Company Act, the capital reserve shall not be used except for offset the deficit of the company. When a company incurs no loss, it may distribute the capital surplus generated from the excess of the issuance price over the per value of capital and donations. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares.

(C) Treasury stocks

The details of the carrying amounts and the number of shares held by the Company and its subsidiaries were as follows:

	Amount (in thousand NT$)	
	As of December 31,	
	2025	2024
The Company	$46,539	$31,275
Spectrum Electrics Corporation	117,878	87,383
Chander Electronics Corp.	99,601	84,764
Toptrend Technologies Corp.	12,005	11,862
Red Sunrise Co., Ltd.	8,331	-
Total	$284,354	$215,284

	Number of shares (in thousands)	
	As of December 31,	
	2025	2024
The Company	830	510
Spectrum Electrics Corporation	7,771	6,370
Chander Electronics Corp.	4,048	3,378
Toptrend Technologies Corp.	821	821
Red Sunrise Co., Ltd.	440	-
Total	13,910	11,079

(D) Retained earnings and dividend policies

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

(a) Payment of all taxes and dues;
(b) Offset prior years' operation losses;
(c) Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
(d) Set aside or reverse special reserve in accordance with law and regulations; and
(e) The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

The company's dividend distribution adopts conservative principle. Paying stock dividend is preferred. If there is a surplus, it will be distributed to shareholders as cash dividends, but the ratio of cash dividend distribution is expected to be lower than 50% of the total dividend distribution.

According to the Company Act, the Company is required to set aside an amount from its earnings to legal reserve unless such legal reserve reaches the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

In accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865 and "Applicable question and answer for the provision of special reserves after the adoption of International Financial Reporting Standards (IFRSs)", the Company sets aside and reverses special reserves.

Details of the 2024 earnings distribution and dividends per share approved by the Board of Directors and the shareholder's meeting held on June 25, 2025, respectively, were as follows:

	Appropriation of earnings		Dividend per share (NTD)	
	2025	2024	2025	2024
Legal reserve appropriated	(Note)	$7,125	(Note)	$-
Special reserve reversed	(Note)	(12,830)	(Note)	-
Cash dividend on common stock	(Note)	-	(Note)	-

Note: The appropriation of 2025 unappropriated retained earnings has not yet been resolved by the Board of Directors as of the reporting date.

Please refer to Note 6 (28) for further details on employees' compensation and remuneration to directors and supervisors.

(D) Non-controlling interests

	As of December 31,	
	2025	2024
Beginning balance	$1,983,604	$1,437,763
(Loss) profit attributable to non-controlling interests	(915,606)	170,680
Other comprehensive income attributable to non controlling interests	43,380	(5,222)
Changes in ownership interests in subsidiaries	(121,936)	-
Disposal of parent company's stocks by subsidiaries recognized as treasury share transactions	(49,400)	(96,484)
Difference between consideration and carrying amount of subsidiaries acquired	(4,244)	37,829
Share-based payment transactions	-	36,861
Acquisition of equity interests of subsidiaries	5,296,517	402,177
Ending balance	$6,232,315	$1,983,604

(24) Share-based payment plans

A. Certain employees of the Group are entitled to share-based payment as part of their remunerations. The group grants the equity instruments to the employees in return for the services they provide. These plans are accounted for as equity-settled share-based payment transactions.

(a) The Company's restricted stock plan for employees

On June 26, 2023, the shareholders' meeting of the Company resolved to issue 2,500 thousand restricted stocks in installments, applicable to issue in one tranche or in installments within two years from the resolution date. Each share shall be issued at a par value of NT$0, provided as non-cash consideration through gratuitous distribution to employees. On August 13, 2024 and August 11, 2023, the Board of Directors resolved to issue 210 thousand and 1,670 thousand restricted ordinary shares to employees, and the price per share on the grant date were $61.60 and NT$75.60. The share-based payment plan was as follows:

Type of grant	Date of grant	Offering shares (in thousands)	Contract period	Vesting Conditions
Restricted employee stock plan (Note 1)	August 11, 2023	1,670	16 months	Achievement of performance conditions (Note 2)
	August 20, 2024	210	16 months	

Note 1: The restricted employee stock issued by the Company were not transferable during the contract period, but they did not restrict voting rights and included in the distribution of dividends. Employees who leave during the vested period were required to return the shares, but the dividends obtained is not required to return.

Note 2: Employees who are still employed by the Company as of the grant date of the restricted stocks for employees with grade A in the latest performance appraisal shall be entitled to 50% of the allocated shares. Employees who remain employed by the Company for 16 months from the grant date of the restricted stocks for employees with grade A in the latest performance appraisal as of the grant date shall be entitled to the remaining 50% of the allocated shares.

As of December 31, 2025 and 2024, since the employees have not yet met the vesting conditions, the balance of unearned compensation accounted for the deduction of equity was NT$604 thousand and NT$7,539 thousand, which would be recognized as salary expenses in future vesting period.

As of December 31, 2025 and 2024, The compensation costs recognized by the Company amounted to NT$(195) thousand and NT$48,557 thousand, respectively.

(b) The subsidiary- Share-based payment plan of Array Inc.

Array Inc. did not issue any employee share options for the years ended December 31, 2025 and 2024. Information on employee share options was as follows:

	For the years ended December 31,			
	2025		2024	
	Number of Exercisable Options (In Thousands)	Weighted-average Exercise Price (US$)	Number of Exercisable Options (In Thousands)	Weighted-average Exercise Price (US$)
Balance at January 1	1,517	$0.32	1,893	$0.31
Options expired	(520)	0.32	(250)	0.30
Options exercised	(125)	0.37	(126)	0.31
Balance at December 31	890	0.32	1,517	0.32
Options exercisable, end of year	808	0.32	1,171	0.31

As of December 31, 2025 and 2024, The compensation costs recognized amounted to NT$142 thousand and NT$86 thousand, respectively.

(c) Spectrum Electronics Co., Ltd.'s restricted stock plan for employees

On June 5, 2023, the shareholders' meeting of Spectrum Electronics Co., Ltd. resolved to issue 4,000 thousand restricted stocks in installments. The issuance will be reported and processed within two years from the resolution date. Furthermore, the shareholders' extraordinary meeting of the Company on September 28, 2023, the resolution was amended to issue 5,000 thousand restricted stocks in installments. Each share shall be issued at a par value of $0, provided as non-cash consideration through gratuitous distribution to employees. On January 23, 2024, the Board of Directors resolved to issue 4,050 thousand restricted ordinary shares to employees, and the price per share on the grant date was $28. The share-based payment plan was as follows:

Type of grant	Date of grant	Offering shares (in thousands)	Contract period	Vesting Conditions
Restricted employee stock plan	June 30, 2025	800	30 months	Achievement of performance conditions
Restricted employee stock plan (Note 1)	January 23, 2024	4,050	30 months	Achievement of performance conditions (Note 2)

Note 1: The restricted employee stock issued by Spectrum Electronics Co., Ltd. were not transferable during the contract period, but they did not restrict voting rights and included in the distribution of dividends. Employees who leave during the vested period were required to return the shares, but the dividends obtained is not required to return.

Note 2: Employees who remain in the employment of Spectrum Electronics Co., Ltd. for six months from the date of issuance of the new shares with restricted employee rights will be entitled to 20% of the allotted shares in equal installments, and 20% of the shares will be allotted to employees if there is net income after income tax shown in the consolidated financial statements of Spectrum Electronics Co., Ltd. for the most recent fiscal year audited and certified by a certified public accountant. Employees who are still employed by Spectrum Electronics Co., Ltd. after 18 months from the issuance date of the new shares with restricted employee rights will be entitled to 15% of the allotted shares in equal installments, and 15% of the shares will be granted to employees if there is net income after income tax shown in the consolidated financial statements of Spectrum Electronics Co., Ltd. for the most recent year have been audited and certified by a certified public accountant. Employees who are still employed by Spectrum Electronics Co., Ltd. after 30 months from the date of issuance of the new shares with restricted employee rights will be entitled to receive 15% of the allotted shares in equal installments, and Spectrum Electronics Co., Ltd. will be entitled to receive another 15% of the shares based on Spectrum Electronics Co., Ltd.'s consolidated financial statements for the most recent year, which were certified by a certified public accountant as after-tax net income.

Details of the above share-based payment arrangements are as follows:

	For the years ended December 31,	
	2025	2024
	Number of restricted stocks (in thousand)	Number of restricted stocks (in thousand)
Beginning restricted stocks	2,142	-
Granted	800	4,050
Forfeited	(13)	(480)
Less: Entitled	(1,071)	(1,428)
Ending restricted stocks	1,858	2,142

As of December 31, 2025 and 2024, the balance of unearned compensation for employees, recorded as a reduction of equity, was NT$12,249 and NT$25,165 thousand because employees had not yet fulfilled their vesting conditions. Salary expense was recognized during the vesting period, and the transaction was eliminated in the preparation of consolidated financial statements.

(d) Ali Corporation's restricted stock plan for employees

Details of the Company's share-based payment arrangements for employee stock options as of December 31, 2025 and 2024 are as follows:

Type of arrangement	Grant date	Units granted (in thousand)	Contract period (years)	Vesting conditions
Employee stock options	2019.12.02	5,000	4.5	Note 1
〃	2010.03.19	500	4.5	Note 1
〃	2010.08.20	4,255	5.0	Note 2
〃	2010.10.20	330	5.0	Note 2
〃	2014.07.17	700	5.0	Note 3

Note 1: Employees can exercise their stock options in tranches at a certain percentage each trance, subject to their continued service through the respective vesting dates (two, three and four years).

Note 2: Employees can exercise their stock options in tranches at a certain percentage each trance, subject to their continued service through the respective vesting dates (two and three years).

Note 3: Employees can exercise their stock options, subject to their continued service through the vesting dates (two years).

The fair value of employee stock options granted on grant date is measured using the binomial and trinomial tree models. Relevant information is as follows:

Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility (Note)	Expected option life (in years)	Expected dividend rate	Risk-free interest rate	Fair value per unit (in dollars)
2019.12.02	17.90	17.90	42.16%	4.5	0%	0.5777%	6.33
2020.03.19	11.55	11.55	42.26%	4.5	0%	0.6211%	4.10
2020.08.20	23.85	23.85	46.01%	5.0	0%	0.3190%	8.06~8.79
2020.10.20	24.75	24.75	44.78%	5.0	0%	0.2304%	9.58
2024.07.17	23.35	23.35	51.36%	5.0	0%	1.5752%	10.66

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

Details of compensatory employee stock options for the years ended December 31, 2025 and 2024 are as follows:

	2025		2024	
Options	Number of options (in thousands)	Weighted average exercise price (in dollars)	Number of options (in thousands)	Weighted average exercise price (in dollars)
Options outstanding at January 1	3,362	21.87	3,239	20.76
Options granted	-	-	700	23.35
Options forfeited	-	-	(577)	17.45
Options exercised	(2,938)	21.63	-	-
Options outstanding at December 31	424	23.51	3,362	21.87
Options exercisable at December 31	-	-	2,662	21.24

Details of the employee stock option compensation plan of the subsidiary, Ali Corporation, are as follows:

	Exercise price	Weighted average exercise periods (years)
December 31, 2025		
Options outstanding	$23.51	3.54
December 31, 2024		
Options outstanding	$21.87	5.98

The expenses arising from the Company's compensatory employee stock option transactions (equity-settled) for the years ended December 31, 2025 and 2024 amounted to NT$2,742 and NT$1,307, respectively.

Type of arrangement	Grant date	Units granted (in thousand)
Treasury shares transferred to employees	2025.2.27	397

ALi Corporation adopted the Black–Scholes option pricing model to estimate the fair value of stock options granted under its treasury shares transferred to employees plan as of the grant date. Details are as follows:

Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (in years)	Expected dividend rate	Risk-free interest rate	Fair value per unit (in dollars)
2025.2.27	24.70	26.70	54.25%	0.0411	0%	0.9840%	0.56

For the years ended 2025 and 2024, Ali Corporation recognized expenses of NT$228 thousand and NT$0 thousand, respectively, arising from the transfer of treasury shares to employees under an equity-settled share-based payment arrangement.

B. The expenses recognized by the group for employee shared-based payment plans is as follows:

	For the years ended December 31,	
	2025	2024
Total expense arising from equity-settled share-based payment transactions	$29,841	$103,405

(25) Operating revenue

	For the years ended December 31,	
	2025	2024
Revenue from contracts with customers		
Sale of goods	$7,045,846	$4,436,647
Rendering of service	411,542	665,980
Total	$7,457,388	$5,102,627

Analysis of revenue from contracts with customers for the years ended December 31, 2025 and 2024 are as follows:

A. Disaggregation of revenue

For the year ended December 31, 2025

	Operating Department	semiconductor	Medical	Electronic Products Department	Electronic Parts and components Department	Network Application Department	Third-party Payment Department	Power Distribution Machinery Manufacturing Department	Food & Beverage Services	Others	Total
Sale of goods	$24,427	$2,587,536	$161,303	$383,976	$834,310	$525,533	$84	$1,799,025	$720,018	$9,634	$7,045,846
Rendering of services	219,280	-	-	-	-	-	177,876	-	14,386	-	411,542
Total	$243,707	$2,587,536	$161,303	$383,976	$834,310	$525,533	$177,960	$1,799,025	$734,404	$9,634	$7,457,388
Timing of revenue recognition:											
At a point in time	$54,343	$1,181,666	$161,304	$383,976	$834,310	$525,533	$175,494	$1,799,025	$723,902	$9,634	$5,849,186
Over time	189,364	1,405,870	-	-	-	-	2,466	-	10,502	-	1,608,202
Total	$243,707	$2,587,536	$161,304	$383,976	$834,310	$525,533	$177,960	$1,799,025	$734,404	$9,634	$7,457,388

For the year ended December 31, 2024

	Operating Department	Electronic Products Department	Electronic Parts and components Department	Network Application Department	Third-party Payment Department	Power Distribution Machinery Manufacturing Department	Food & Beverage Services	Others	Total
Sale of goods	$23,660	$336,554	$722,925	$712,765	$1,301	$1,988,998	$615,736	$34,708	$4,436,647
Rendering of services	447,470	-	-	-	218,510	-	-	-	665,980
Total	$471,130	$336,554	$722,925	$712,765	$219,811	$1,988,998	$615,736	$34,708	$5,102,627
Timing of revenue recognition:									
At a point in time	$96,005	$336,554	$722,925	$712,765	$212,756	$1,988,998	615,736	$34,708	$4,720,447
Over time	375,125	-	-	-	7,055	-	-	-	382,180
Total	$471,130	$336,554	$722,925	$712,765	$219,811	$1,988,998	615,736	$34,708	$5,102,627

B. Contract balances

Net contract assets (liabilities) are as follows:

	December 31, 2025	December 31, 2024	Difference	%
Contract assets, current	$79,142	$2,979	$2,979	2556.66%
Contract assets, noncurrent	-	-	-	-%
Contract liabilities, current	(406,369)	(199,890)	(206,479)	103.30%
Contract liabilities, noncurrent	(3,773)	(173,020)	(169,247)	97.82%

Contract assets increased by NT$76,163 thousand from December 31, 2024 to December 31, 2025, in the current year, mainly due to the recognition of contract assets of NT$74,635 thousand arising from the acquisition of Taiwan Mask Corporation through a business combination, as well as contract consideration of NT$1,528 thousand for which the Group had not yet obtained an unconditional right during the current period.

Contract liabilities increased by NT$37,232 thousand from December 31, 2024 to December 31, 2025, mainly due to the recognition of revenue totaling approximately NT$191,363 thousand as performance obligations were satisfied, and an increase in advance receipts of approximately NT$184,363 thousand in the current year.

C. Transaction price allocated to unsatisfied performance obligations

The Group's transaction price allocated to unsatisfied performance obligations amounted to NT$410,142 thousand as of December 31, 2025. Management expects that the transaction price allocated to unsatisfied performance obligations will be recognized as revenue within one to two years.

The Group's transaction price allocated to unsatisfied performance obligations amounted to NT$372,910 thousand as of December 31, 2024. Management expects that the transaction price allocated to unsatisfied performance obligations will be recognized as revenue within one to two years.

(26) Expected credit losses

	For the years ended December 31,	
	2025	2024
Operating expenses – Expected credit losses (gains)		
Accounts receivable	$143,603	$15,225
Contract assets	-	3,033
Total	$143,603	$18,258

The credit risks of the Group's financial assets measured at amortized cost were assessed as low (same as the assessment result in the beginning of the period) as of December 31, 2025 and 2024. As the Group's trade partners are financial institutions with good credit, the loss allowance was NT$0 thousand measured at a loss ratio of 0%.

The Group measures the loss allowance of its contract assets and trade receivables (including notes receivable, accounts receivable, notes receivable-related parties and accounts receivable-related parties) at an amount equal to lifetime expected credit losses. The assessments of the Group's loss allowance are as follows:

A. the gross carrying amount of contract assets are NT$79,142 thousand and NT$2,979 thousand as of December 31, 2025 and 2024, respectively. The loss allowance amounts to NT$0 where an expected credit loss ratio of 0% is used as of December 31, 2025.

B. the Group groups its trade receivables by counterparties' credit rating, geographical region and industry sector, and its loss allowance is measured by using a provision matrix, details are as follow:

As of December 31, 2025

Group 1

	Not yet due	Overdue				
	(Note)	<=30 days	31-60 days	61-150 days	>=151 days	Total
Gross carrying amount	$17,542	$264	$32	$12	$2,947	$20,797
Loss ratio	2.51%	4.55%	6.25%	8.33%	80.83%	
Lifetime expected credit losses	(440)	(12)	(2)	(1)	(2,382)	(2,837)
Subtotal	$17,102	$252	$30	$11	$565	$17,960

Group 2

	Not yet due	Overdue					
	(Note)	<=90 days	91-180 days	181-270 days	>=271 days	>=361 days	Total
Gross carrying amount	$347,164	$6,624	$-	$-	$-	$32,614	$386,402
Loss ratio	-%	-%	-%	-%	%	100%	
Lifetime expected credit losses	-	-	-	-	-	(32,614)	(32,614)
Subtotal	$347,164	$6,624	$-	$-	$-	$-	$353,788

Group 3

	Not yet due	Overdue		
	(Note)	<=90 days	>=90 days	Total
Gross carrying amount	$190,309	$1,731	$42	$192,082
Loss ratio	-%	0.69%	100%	
Lifetime expected credit losses	-	(12)	(42)	(54)
Subtotal	$190,309	$1,719	$-	$192,028

Group 4

	Not yet due (Note)	Overdue <=90 days	181-270 days	271-365 days	>=365 days	Individual assessment	Total
Gross carrying amount	$286,618	$72,970	$152,949	$34,105	$113,579	$12,572	$672,793
Loss ratio	1.22%	6.14%	42.31%	36.12%	100%	100%	
Lifetime expected credit losses	(3,487)	(4,480)	(64,708)	(12,320)	(113,579)	(12,572)	(211,146)
Subtotal	$283,131	$68,490	$88,241	$21,785	$-	$-	$461,647

Group 5

	Not yet due (Note)	Overdue <=90 days	91-180 days	>=181 days	Total
Gross carrying amount	$40,136	$50	$641	$5,726	$46,553
Loss ratio	-%	-%	-%	87.60%	
Lifetime expected credit losses	-	-	-	(5,016)	(5,016)
Subtotal	$40,136	$50	$641	$710	$41,537

Group 6

	Not yet due (Note)	Overdue <=30 days	31-60 days	61-150 days	Total
Gross carrying amount	$75,467	$181	$16	$4	$75,668
Loss ratio	-%	-%	-%	-%	
Lifetime expected credit losses	-	-	-	-	-
Subtotal	$75,467	$181	$16	$4	$75,668

Group 7

	未逾期	Overdue				
	（註）	<=30 days	31-90 days	91-180 days	>=181 days	Total
Gross carrying amount	$836,138	$80,177	$20,330	$8,559	$87,230	$1,032,434
Loss ratio	-%	-%	7.06%	23.11%	100%	
Lifetime expected credit losses	-	-	(1,436)	(1,978)	(87,230)	(90,644)
Subtotal	$836,138	$80,177	$18,894	$6,581	$-	$941,790
Total						$2,084,418

As of December 31, 2024

Group 1

	Not yet due	Overdue				
	(Note)	<=30 days	31-60 days	61-150 days	>=151 days	Total
Gross carrying amount	$41,470	$1,588	$2,927	$29	$18,990	$65,004
Loss ratio	0.3%	5.96%	6.24%	-%	95.52%	
Lifetime expected credit losses	(123)	(95)	(183)	-	(18,139)	(18,540)
Subtotal	$41,347	$1,493	$2,744	$29	$851	$46,464

Group 2

	Not yet due	Overdue					
	(Note)	<=90 days	91-180 days	181-270 days	>=271 days	>=361 days	Total
Gross carrying amount	$328,771	$4,870	$-	$-	$-	$32,614	$366,255
Loss ratio	-%	-%	-%	-%	-%	100%	
Lifetime expected credit losses	-	-	-	-	-	(32,614)	(32,614)
Subtotal	$328,771	$4,870	$-	$-	$-	$-	$333,641

Group 3

	Not yet due	Overdue		
	(Note)	<=90 days	>=90 days	Total
Gross carrying amount	$186,035	$1,494	$42	$187,571
Loss ratio	-%	0.4%	100%	
Lifetime expected credit losses	-	(6)	(42)	(48)
Subtotal	$186,035	$1,488	$-	$187,523

Group 4

	Not yet due	Overdue				
	(Note)	<=180 days	181-270 days	271-360 days	>=360 days	Total
Gross carrying amount	$447,886	$165,782	$77,391	$12,481	$13,468	$717,008
Loss ratio	0.13%	3.51%	5.02%	41.05%	41.59%	
Lifetime expected credit losses	(597)	(5,822)	(3,882)	(5,124)	(5,601)	(21,026)
Subtotal	$447,289	$159,960	$73,509	$7,357	$7,867	$695,982

Group 5

	Not yet due	Overdue				
	(Note)	<=90 days	91-180 days	181-270 days	>=271 days	Total
Gross carrying amount	$68,683	$52	$450	$1,893	$-	$ 71,078
Loss ratio	-%	-%	77%	83%	-%	
Lifetime expected credit losses	-	-	(345)	(1,669)	-	(2,014)
Subtotal	$68,683	$52	$105	$224	$-	$69,064

Group 6

	Not yet due	Overdue				
	(Note)	<=30 days	31-60 days	61-150 days	>=151 days	Total
Gross carrying amount	$97,645	$-	$-	$-	$-	$97,645
Loss ratio	-%	-%	-%	-%	-%	
Lifetime expected credit losses	-	-	-	-	-	-
Subtotal	$97,645	$-	$-	$-	$-	$97,645
Total						$1,430,319

Note: The Group’s notes receivables are not overdue.

C. the Group measures the loss allowance of its other receivable and other receivable-related parties at an amount equal to lifetime expected credit losses. On December 31, 2025 and 2024, the total carrying amounts were NT$198,686 thousand and NT$28,346 thousand, respectively. As of December 31, 2025 and 2024, the Group both recognized NT$0 thousand allowance loss.

The movement in the provision for impairment of accounts receivable and contract assets during the December 31, 2025 and 2024 are as follows:

	Contract Assets	Overdue Receivables	Accounts Receivable
As of January 1, 2025	$-	$907	$73,335
Reversal and write off due to receipt	-	1,349	142,254
Write off due to inability to receive	-	-	(40,298)
Acquisition of subsidiaries	-	-	158,693
Exchange differences	-	-	6,071
As of December 31, 2025	$-	$2,256	$340,055
Beginning balance	$-	$152	$59,513
Reversal and write off due to receipt	3,033	755	14,470
Write off due to inability to receive	(3,033)	-	(1,566)
Exchange differences	-	-	918
As of December 31, 2024	$-	$907	$73,335

Please refer to Note 12 for further details on credit risk.

(27) Leases

A. Group as a lessee

The Group leases various properties, including real estate (buildings), transportation equipment and other equipment. The lease terms range from 1 to 20 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follow:

(A) Amounts recognized in the balance sheet

a. Right-of-use assets

The carrying amount of right-of-use assets

	As of December 31,	
	2025	2024
Buildings	$757,547	$495,221
Transportation equipment	11,652	9,017
Other equipment	61,167	16,505
Total	$830,366	$520,743

The Group's right-of-use assets increased by NT$301,012 thousand (including the reduction of NT$39,427 thousand and the acquisition of NT$349,439 thousand for the current period) and NT$532,816 thousand (including the addition of NT$183,377 thousand and the acquisition of NT$349,439 thousand for the current period) as from January 1 to December 31, 2025 and 2024.

b. Lease liabilities

	As of December 31,	
	2025	2024
Lease liabilities	$890,553	$585,111
Current	$191,033	$164,900
Non-current	$699,520	$420,211

Please refer to Note 6 (29) for the interest on lease liabilities recognized for the years ended December 31, 2025 and 2024 and refer to Note 12 (5) Liquidity Risk Management for the maturity analysis for lease liabilities.

(B) Amounts recognized in the statement of profit or loss

Depreciation expense of right-of-use assets

As of December 31, 2025

	Buildings	Land	Transportation equipment	Other equipment	Total
Depreciation expense	$161,825	$8,041	$6,289	$4,744	$180,899

As of December 31, 2024

	Buildings	Transportation equipment	Other equipment	Total
Depreciation expense	$144,156	$4,371	$3,318	$151,845
Impairment loss	1,213	-	-	1,213

(C) Income and costs relating to leasing activities

	For the years ended December 31,	
	2025	2024
The expenses relating to short-term leases	$42,359	$23,091
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	2,602	265
Total	$33,439	$23,356

(D) Cash outflow relating to leasing activities

As of December 31, 2025 and 2024, the Group's total cash outflows for leases were amounted to NT$221,101 thousand and NT$207,377 thousand, respectively.

B. Group as a lessor

The Group signs operating lease contract to lend parts of leasing office and factory. Because almost all the risk and benefit of the ownership of identified assets were not transferred, the leases were classified as operating lease.

	For the years ended December 31,	
	2025	2024
Rental income from operating lease		
Income relating to fixed rental	$25,400	$1,646

The Group signs operating lease contract, the expected total amount of undiscounted rental payment and residual years as of December 31, 2025 and 2024 are as follows:

	As of December 31,	
	2025	2024
Within 1 year	$33,052	$1,137
Between 1-2 years	15,012	-
Between 2-3 years	1,200	-
Between 3-4 years	1,260	-
Between 4-5 years	1,320	-
Over 5 years	780	-
Total	$52,624	$1,137

The Group signs financial lease contract, the expected total amount of undiscounted rental payment and residual years as of December 31, 2025 and 2024 are as follows:

	As of December 31,	
	2025	2024
Within 1 year	$9,343	$15,075
Between 1-2 years	9,950	10,484
Between 2-3 years	6,818	7,213
Between 3-4 years	5,663	7,307
Between 4-5 years	5,138	7,402
Over 5 years	7,361	19,978
Total	$44,275	$67,459
Current	$9,343	$15,075
Non-current	$34,932	$52,384

(28) Summary statement of employee benefits, depreciation and amortization expense by function during the years ended December 31, 2025 and 2024:

	For the years ended December 31,					
	2025			2024		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	$264,659	$1,154,989	$1,419,648	$84,197	$873,881	$958,078
Labor and health insurance	31,306	95,954	127,260	12,570	78,027	90,597
Pension	14,079	41,422	55,501	2,635	21,665	24,300
Other employee benefits expense	26,721	46,960	73,681	4,144	38,788	42,932
Depreciation	564,945	309,498	874,443	20,407	194,209	214,616
Amortization	29,640	104,197	133,837	13,073	59,585	72,658

According to the Company's Articles of Incorporation, if there is profit for the year, the Company shall appropriate no less than 3% of such profit as employees' compensation and no more than 3% of such profit as directors' remuneration. However, if the Company still has accumulated losses (including adjustments to the amount of unappropriated retained earnings), an amount shall first be reserved to cover such losses. Of the employees' compensation to be appropriated as described above, no less than 20% shall be allocated to basic-level employees. Employees' compensation may be distributed in the form of shares or cash, as resolved by the Board of Directors, and the recipients may include employees of subordinate companies who meet the conditions prescribed by the Board of Directors. Directors' remuneration shall be distributed in cash only. The distribution of employees' compensation and directors' remuneration shall be resolved by the Board of Directors and reported to the shareholders' meeting. Information on the Board of Directors' resolutions regarding employees' compensation and directors' remuneration can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company set the compensation policy for directors and employees, the amount of distributed compensation was determined by the salary price level of the industry, the responsibilities and authority of the position and the individual contribution to the operating goal. The determination of compensation to directors and executive officers is based on the operation results and contributions, domestic and foreign industry trends was considered also. The distribution of directors' and executive officers' compensations were approved through the compensation committee, and resolved by the meeting of the Board of Directors.

For the year ended December 31, 2025, the Company incurred a net loss after tax, hence employees' compensation and remuneration to directors and supervisors were not estimated.

On June 5, 2025, the shareholders' meeting of the Company resolved to distribute employees' compensation and directors' remuneration for 2024 in cash in the amounts of NT$1,909 thousand and NT$636 thousand, respectively, which did not differ materially from the amounts recognized as expenses in the 2024 financial statements.

(29) Non-operating income and expenses

A. Interest income

	For the years ended December 31,	
	2025	2024
Interest income		
Financial assets measured at amortized cost	$12,497	$14,303

B. Other income

	For the years ended December 31,	
	2025	2024
Rental income	$25,400	1,646
Dividends income	4,425	-
Tax-refunded income	941	$2,347
Other income	-	57,194
Total	$30,766	$61,187

C. Other gains and losses

	For the years ended December 31,	
	2025	2024
Gains on disposal of investments	$167,471	$286,554
Gains on disposal of mobile game intellectual property	162,642	212,472
Gains on financial assets and liabilities at fair value through profit or loss	3,574	12,654
Purchase of bargain gain	2,518	-
Gain on disposal of intangible assets	(6)	8,024
(Loss) gain on disposal of property, plant and equipment	(2,680)	1,138
Foreign exchange gains and losses, net	(16,471)	16,720
Impairment loss from non-financial assets	(263,170)	(49,668)
Other	(157,979)	(73,645)
Total	$(104,101)	$414,249

Note 1: Please refer to Note 6 (35) for the disposal of mobile game intellectual property.

D. Finance costs

	For the years ended December 31,	
	2025	2024
Interest on borrowings from bank	$211,635	$57,457
Interest on lease liabilities	12,590	11,372
Interest on bonds payable	7,686	2,526
Total	$231,911	$71,355

(30) Components of other comprehensive income (loss)

For the year ended December 31, 2025:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income (loss), before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income (loss), net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$857	$-	$857	$(700)	$157
Unrealized gains or losses from financial assets at fair value through other comprehensive income	(19,685)	-	(19,685)	-	(19,685)
Share of other comprehensive loss of associates and joint ventures accounted for using the equity method	788	-	788	-	(788)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences resulting from translating the financial statements of a foreign operation	17,648	-	17,648	-	17,648
Total of other comprehensive income	$(392)	$-	$(392)	$-	$(1,092)

For the year ended December 31, 2024:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income (loss), before tax	Income tax relating to components of other comprehensive income (loss)	Other comprehensive income (loss), net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit plans	$2,904	$	$2,904	$(171)	$2,733
Unrealized gains or losses from financial assets at fair value through other comprehensive income	(8,253)	-	(8,253)	-	(8,253)
Share of other comprehensive loss of associates and joint ventures accounted for using the equity method	(607)	-	(607)	-	(607)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences resulting from translating the financial statements of a foreign operation	9,185	-	9,185	-	9,185
Total of other comprehensive income	$3,229	$	$3,229	$(171)	$3,058

(31) Income tax

The major components of income tax expense for the years ended 31 December 2025 and 2024 are as follows:

Income tax expense recognized in profit or loss

	For the years ended December 31,	
	2025	2024
Current income tax expense:		
Current income tax charge	$52,043	$44,117
Adjustments in respect of current income tax of prior periods	2,315	2,401
Undistributed earnings	345	-
Deferred tax (income) expense:		
Deferred tax (income) expense relating to origination and reversal of temporary differences	(7,732)	(7,734)
Total income tax expense	$62,435	$38,784

A. Income tax expense recognized in other comprehensive income

	For the years ended December 31,	
	2025	2024
Deferred tax expense (income):		
Remeasurements of defined benefit plans	$700	$171

B. Reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rates is as follows:

	For the years ended December 31,	
	2025	2024 (Adjusted)
Accounting (loss) profit before tax from continuing operations	$(1,323,111)	$286,956
Tax at the domestic rates applicable to profits in the country concerned	$(15,735)	$107,692
Surtax on undistributed retained earnings	2,315	2,401
Tax effect of revenues exempt from taxation	(15,493)	12,396
Tax effect of revenues exempt from taxation	91,295	(60,502)
Tax effect of deferred tax assets/liabilities	14,671	(36,446)
Income basic tax	-	7,031
Additional income tax on unappropriated earnings	345	1,100
Unrecognized loss carryforwards	-	11,326
Effect of different tax rates of entities operating in other jurisdictions	4,809	(15,446)
Overseas withholding tax	1,525	9,232
Others	(21,297)	-
Total income tax (income) expense recognized in profit or loss	$62,435	$38,784

Deferred tax assets (liabilities) relate to the following:

For the year ended December 31, 2025

	Beginning balance as of January 1, 2025 (Adjusted)	Recognized in profit or loss	Recognized in other comprehensive income	Effect of acquisition of subsidiaries	Ending balance as of December 31, 2024
Temporary differences					
Unrealized bad debt expense	$3,660	$(2,110)	$-	$-	$1,550
Unrealized foreign exchange gains and losses	(1,870)	(225)	-	9,398	7,303
Investment Losses	12,311	(723)	-	-	13,034
Investments accounted for using the equity method	-	17,456		34,406	51,862
Unrealized impairment loss	6,301	-	-	-	6,310
Gain on land revaluation	(42,042)	-	-	-	(42,042)
Unrealized gains (losses) on valuation of financial assets	-	(5,496)		-	(5,496)
Fiscal and tax differences in amortization of intangible assets	(87,506)	(34,323)	-	22,320	(99,509)
Fiscal and tax differences in depreciation of fixed assets	(14,026)	6,221	-	-	(8,019)
Unrealized loss on inventory valuations	3,380	6,596	-	33,455	43,431
Defined benefit liability, non-current	1,321	298	(700)	-	919
Defined benefit asset, non-current	(3,331)	(37)	-	-	(3,368)
Others	5,815	323	-	(20,206)	(14,068)
Unused tax losses	21	2,842	-	5,584	8,447
Deferred tax (expense)/ income		$(7,732	$(700)	$(84,957)	
Net deferred tax assets/(liabilities)	$(116,171))				$(39,646)
Reflected in balance sheet as follows:					
Deferred tax assets	$33,405				$238,910
Deferred tax liabilities	$149,576				$278,556

For the year ended December 31, 2024

	Beginning balance as of January 1, 2024 (Adjusted)	Recognized in profit or loss	Recognized in other comprehensive income	Effect of acquisition of subsidiaries	Ending balance as of December 31, 2024
Temporary differences					
Unrealized bad debt expense	$3,228	$432	$-	$-	$3,660
Unrealized foreign exchange gains and losses	28	(1,898)	-	-	(1,870)
Investment Losses	14,194	(1,883)	-	-	12,311
Unrealized impairment loss	8,705	(2,395)	-	-	6,310
Gain on land revaluation	(42,042)	-	-	-	(42,042)
Fiscal and tax differences in amortization of intangible assets	(92,265)	8,515	-	(3,756)	(87,506)
Fiscal and tax differences in depreciation of fixed assets	(15,479)	1,453	-	-	(14,240)
Unrealized loss on inventory valuations	1,165	2,215	-	-	3,380
Defined benefit liability, non-current	1,770	(278)	(171)	-	1,321
Defined benefit asset, non-current	(3,021)	(310)	-	-	(3,331)
Others	3,953	1,862	-	-	5,815
Unused tax losses	-	21	-	-	21
Deferred tax (expense)/ income		$7,734	$(171)	$(3,756)	
Net deferred tax assets/(liabilities)	$(119,764)				$(116,171)
Reflected in balance sheet as follows:					
Deferred tax assets	$33,345				$33,405
Deferred tax liabilities	$153,109				$149,576

C. The information of the unused tax losses for the Group is as follows:

	Unused tax losses		
	As of December 31,		
Year	2025	2024	Expiration year
2015	$39,990	$-	
2016	727,149	35,511	2026
2017	1,851,321	672,598	2027
2018	1,298,471	57,037	2028
2019	942,191	35,425	2029
2020	783,451	166,872	2030
2021	1,653,376	94,772	2031
2022	880,938	100,442	2032
2023 (predicted)	1,200,429	194,878	2033
2024 (predicted)	814,356	176,775	2034
2025 (predicted)	1,548,201	-	
Subtotal	11,739,873	1,534,310	
Foreign subsidiaries	686,682	686,682	
Total	$12,426,555	$2,220,992	

D. As of December 31, 2025 and 2024, the total amount of unrecognized deferred tax assets in respect of tax losses, investment credits, foreign tax credit and capital expenditure losses in the balance sheet amounted to NT$300,849 thousand and NT$510,184 thousand, respectively.

The assessment of income tax returns

As of December 31, 2025, the assessment of the income tax returns of the Company and its subsidiaries have been assessed and approved by the R.O.C. Tax Authority. is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2023
Subsidiary - Loftstar Interactive Entertainment Inc.	Assessed and approved up to 2022
Subsidiary - Activision Entertainment Ltd.	Assessed and approved up to 2023
Subsidiary - Gamebase Digital Media Corporation	Assessed and approved up to 2023
Subsidiary - Spectrum Electronics Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - Hang Zheng Technology Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - Green Bless Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - Jiu He Yi Technology Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - San Jiang Electric MFG. Co., Ltd.	Assessed and approved up to 2023
Subsidiary - Sun Tech Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - Red Sunrise Co., Ltd.	Assessed and approved up to 2023
Indirect subsidiary - Soundnet Tech Co., Ltd.	Assessed and approved up to 2021
Subsidiary - Lanjing Ltd.	Assessed and approved up to 2023
Subsidiary - Jiwei Technology Ltd.	Assessed and approved up to 2023
Subsidiary - Chander Electronics Corp.	Assessed and approved up to 2023
Indirect subsidiary - Toptrend Technologies Corp.	Assessed and approved up to 2022
Array Taiwan Inc.	Assessed and approved up to 2023
Taiwan Mask Corporation	Assessed and approved up to 2023

(32) Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended December 31,	
	2024	2024
(A) Basic (losses) earnings per share		
Net (loss) income attributable to ordinary equity holders of the Company (in thousand NT$)	$(469,940)	$77,522
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	101,497	100,448
Basic (losses) earnings per share (NT$)	$(4.63)	$0.77
(B) Diluted (loss) earnings per share		
Net income (loss) attributable to ordinary equity holders of the Company after dilution (in thousand NT$)	$(469,940)	$77,522
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	101,497	100,448
Effect of dilution:	(Note)	34
Employee compensation-stock (in thousands)	(Note)	770
Weighted average number of ordinary shares outstanding after dilution (in thousands)	(Note)	101,252
Weighted average outstanding ordinary shares (effects adjusted after dilution) (in thousands)	101,497	101,252
Diluted (losses) earnings per share (NT$)	$(4.63)	$0.77

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

Note1: For the year ended December 31, 2025, the net loss caused the potential ordinary shares into anti-dilutive.

Note 2: The Company issued convertible bonds in the third quarter of 2024, and the conversion price set was higher than the stock price at the end of 2024, causing the potential ordinary shares into anti-dilutive.

(33) Business combinations

A. Obtain control of subsidiaries

(A) Acquisition of San Jiang Electric MFG. Co., Ltd.

Contingent consideration

Spectrum Electronics Co., Ltd. acquired common shares of San Jiang Electric MFG. Co., Ltd. from its original shareholders, Mighty Firm International Ltd. and individual shareholders, on March 6, 2023, total amount of investment amounted to $1,294,000 thousand. As the Group obtained majority voting rights in the shareholders' meeting and exercises control over its relevant activities, San Jiang Electric MFG. Co., Ltd. was considered a subsidiary from the acquisition date and consolidated in the financial statements from the date of gaining control.

(a) During the year ended December 31, 2023, the Group performed the procurement contract with Taiwan Power Company. The total sales amount of transformer products as recorded in the allocation notice issued by Taiwan Power Company, less material costs, resulted in an actual profit of $357,425 thousand for the products. When the collateral agreement was reached, the Group should pay $350,000 thousand, with a payment deadline no later than June 30, 2024. 2

The supplementary agreements was signed on June 27, 2024, stipulating that when the guarantee matters are completed, the Group will pay $350,000 thousand along with interest calculated at an annual interest rate of 2.5% from July 1, 2024 to December 31, 2024. The a payment deadline shall be no later than December 31, 2024. The Group completed the payments on December 25, 2024

(b) Before December 31, 2024, all major suppliers of components and materials required to produce transformers by San Jiang Electric MFG. Co., Ltd. had entered into long-term supply agreements with San Jiang Electric MFG. Co., Ltd. in writing. Furthermore, the supply terms of the major suppliers could meet the production capacity requirements of San Jiang Electric MFG. Co., Ltd. in practice. When the collateral agreement was reached, the Group paid $50,000 thousand, with a payment deadline no later than December 31, 2024. The Group completed the payments on December 25, 2024.

(c) From the settlement date to March 31, 2024, no transformer products inspected by Taiwan Power Company had been or reasonably expected to be fined by Taiwan Power Company for an amount exceeding $50,000 thousand. The Group will pay $50,000 thousand less the fines or expected fines, with a payment capped at $50,000 thousand payable no later than April 30, 2024. The Group completed the payments $48,727 in installments on April 30 and May 31, 2024, respectively.

(d) During the year ended December 31, 2024, the cumulative amount of additional procurement contracts acquired from Taiwan Power Company reached $500,000 thousand. The Group will pay $50,000 thousand, with the payment deadline no later than December 31, 2024. Due to the procurement tender from Taiwan Power Company did not meet the requirement, the Group reversed other payables to other income in the amount of $50,000 thousand on December 31, 2024.

(B) Acquisition of DineVita Group Co., Ltd.

On February 1, 2024, the Group acquired assets and non-financial liabilities related to its catering business from Customers Delight Group, a Japanese corporation, for JPY750,000 thousand (approximately NT$158,850 thousand).

The carrying amounts of assets and non-financial liabilities related to the restaurant business at the acquisition date were as follows:

	Carrying amount
Notes and accounts receivable, net	$15,500
Finance lease receivables	21,763
Other receivables	1,706
Inventories, net	6,014
Prepayments	3,974
Other current assets	1,625
Property, plant and equipment	52,911
Right-of-use assets	349,439
Intangible assets	35,224
Refundable Deposit	61,079
Long-term finance lease receivables	79,119
Other noncurrent assets	571
Accounts payable	17,583
Other payables	31,101
Lease liabilities, current	95,475
Other current liabilities	6,746
Lease liabilities, non-current	341,487
Provision for liabilities	15,262
Received Deposits	5,196
Other noncurrent liabilities	5,769
Total net assets of catering	$110,306
Fair value of the equity investment on the date of acquisition	158,850
Goodwill	$48,544

Cash outflow from acquiring:	
Cash consideration paid	$158,850
Less: Balance of cash and equivalent cash acquired	-
Cash outflow of acquiring the subsidiary, net	$158,850

The Group had sought an independent appraisal of the net assets held by Customers Delight Group, Inc. for the catering business and the purchase price allocation was completed. According to the purchase price allocation result, the fair value on the acquisition date was NT$110,306 thousand, an increase of NT$35,103 thousand compared to the provisional value.

(C) Acquisition of Ahead.m

On April 24, 2024, the Group acquired assets and non-financial liabilities related to its catering business from Ahead.m, a Japanese corporation, for JPY25,000 thousand (approximately NT$5,253 thousand).

The carrying amounts of assets and nonfinancial liabilities related to the catering business at the acquisition date were as follows:

	Carrying amount
Inventories, net	$278
Property, plant and equipment	2,252
Trademarks	552
Total net assets of food and beverage operations	3,082
Fair value of the equity investment on the date of acquisition	5,253
Goodwill	$2,171

Cash outflow from acquiring:

	Carrying amount
Cash consideration paid	$5,253
Less: Balance of cash and equivalent cash acquired	-
Cash outflow of acquiring the subsidiary, net	$5,253

The Group had sought an independent appraisal of the net assets of the food and beverage operations of the Ahead.m Group, and the purchase price allocation was completed. According to the purchase price allocation result, the fair value at the acquisition date was NT$3,082 thousand, representing an increase of NT$1,219 thousand compared to the provisional value.

(D) Acquisition of Tomohane Co., Ltd.

On January 20, 2025, the Group acquired from Luckywings Network Technology Co., Limited a 100% equity interest in its subsidiary, Tomohane Co., Ltd., for NT$9,500 thousand.

The fair value of the identifiable assets and liabilities of Tomohane Co., Ltd. on the acquisition date are as follows:

	Carrying amount
Cash and cash equivalents	$230
Prepayments	24
Other current assets	149
Other payables	2
Total net assets of Tomohane Co., Ltd.	401
Fair value of the equity investment on the date of acquisition	9,500
Goodwill	$9,099

Cash outflow of acquiring the subsidiary:

	Carrying amount
Cash consideration paid	$9,500
Less: Balance of cash and equivalent cash acquired	(230)
Cash outflow of acquiring the subsidiary, net	$9,270

The net assets recognized in the financial statements as of December 31, 2025 were based on provisional fair value measurements. Management completed its internal assessment in the fourth quarter of 2025, and the results indicated that the fair value was consistent with that at the acquisition date.

(E) Acquisition of Cocoro International Japan Co., Ltd.

On March 28, 2025, the Group acquired from Angel Wine & Spirit Group Co., Ltd. a 100% equity interest in its subsidiary, Cocoro International Japan Co., Ltd., for JPY124,700 thousand. (approximately NT$27,671 thousand)

The fair value of the identifiable assets and liabilities of Cocoro International Japan Co., Ltd. on the acquisition date are as follows:

	Carrying amount
Cash and cash equivalents	$215
Prepayments	45
Property, plant and equipment	106,734
Other noncurrent assets	166
Short-term borrowings	27,974
Other payables	116
Long-term borrowings	46,875
Deposits paid	2,008
Total net assets of Cocoro International Japan Co., Ltd.	30,189
Fair value of the equity investment on the date of acquisition	27,671
Goodwill	$(2,518)

The Group had sought an independent appraisal of the net assets of Cocoro International Japan Co., Ltd., and the purchase price allocation was completed. According to the purchase price allocation result, the fair value at the acquisition date was consistent with the provisional value.

(F) Acquisition of Ali Corporation

On April 28, 2025, the Group acquired a 16.51% equity interest in Ali Technology Corporation. As the Group has substantive control over the shareholders' meetings of Ali Technology Corporation and directs the relevant activities, the investee was classified as a subsidiary and has been included in the consolidated financial statements from the date on which control was obtained.

The fair value of the identifiable assets and liabilities of Ali Corporation on the acquisition date are as follows:

	Carrying amount
Cash and cash equivalents	$1,206,049
Financial assets at fair value through other comprehensive income, current	57,815
Financial assets measured at amortized cost – current	31,276
Notes and accounts receivable, net	30,187
Other receivables	130,216

Current income tax assets	660
Inventories	291,876
Other current assets	58,499
Financial assets at fair value through other comprehensive income, non-current	268,140
Financial assets measured at amortized cost – noncurrent	5,000
Property, plant and equipment	263,938
Right-of-use assets	8,655
Investment property, net	293,588
Intangible assets	76,806
Deferred tax assets	162,243
Deposits paid	3,342
Other noncurrent assets	799
Contract liabilities, current	2,827
Accounts payable	62,622
Other payables	454,921
Current income tax liabilities	1,245
Provisions - current	90,239
Lease liabilities, current	6,434
Current portion of long-term borrowings	27,500
Other current liabilities	8,641
Long-term borrowings	532,500
Deferred tax liabilities	7,888
Lease liabilities, non-current	2,373
Deposits reveived	1,840
Total net assets of Ali Corporation and its subsidiaries	1,690,059
Non-controlling interests	(634)
Total net assets attributed to Ali Corporation	1,689,425
Percentage of ownership	16,51%
Net assets attributed based on percentage of ownership	278,924
Fair value of the equity investment on the date of acquisition	472,260
Goodwill	$193,336

	Carrying amount
Loss on disposal of investments accounted for using the equity method	
Fair value of the remaining investment	$472,260
Less: Carrying amount of equity investment at the date of disposal	(481,027)
Loss on disposal of investments	$(8,767)

Cash outflow of acquiring the subsidiary:	
Cash consideration paid	$-
Less: Balance of cash and equivalent cash acquired	(1,206,049)
Cash outflow of acquiring the subsidiary, net	$(1,206,045)

(G) Acquisition of Taiwan Mask Corporation

In the third quarter of 2025, the Group participated in a private placement of Taiwan Mask Corporation and acquired a 20% equity interest therein. Under the private placement agreement, all members of the board of directors will be re-elected at the latest at the shareholders' meeting in 2026, and the Group is able to appoint key management personnel who direct the relevant activities of Taiwan Mask Corporation. As the Group holds 20% of the voting rights and has obtained control over the investee, the investment in Taiwan Mask Corporation was accounted for as a business combination.

The fair value of the identifiable assets and liabilities of Ali Corporation on the acquisition date are as follows:

	Carrying amount
Cash and cash equivalents	$2,548,764
Financial assets at fair value through other comprehensive income, current	1,829,692
Financial assets measured at amortized cost - current	204,896
Contract assets - current	74,635
Notes receivable, net	36,515
Accounts receivable, net	966,702
Accounts receivable – related parties, net	2,323
Other receivable	106,288
Other receivable – related parties	2,563
Current income tax assets	2,757
Inventories	708,334
Prepayment	308,303
Other current assets	11,342
Financial assets at fair value through other comprehensive income, non-current	197,133
Financial assets measured at amortized cost - noncurrent	649,807
Investments accounted for using the equity method	425,329

Property, plant and equipment	10,402,884
Right-of-use assets	391,787
Investment property, net	180,486
Intangible assets	573,753
Deferred tax assets	23,763
Other noncurrent assets	356,955
Short-term borrowings	4,438,714
Short-term notes payable	155,000
Financial liability at fair value through other comprehensive income, current	30,694
Contract liabilities, current	192,929
Note paypable	36,723
Accounts payable	404,338
Other payables	1,421,177
Current income tax liabilities	6,274
Provisions - current	15,660
Lease liabilities, current	6,125
Current portion of long-term borrowings	2,895,127
Other current liabilities	38,293
Bonds payable	1,996,338
Long-term borrowings	2,995,703
Deferred tax liabilities	163,287
Lease liabilities, non-current	399,154
Net defined benefit liability-noncurrent	3,070
Deposits paid	955
Total net assets of Taiwan Mask Corporation and its subsidiaries	4,804,450
Non-controlling interests	(79,300)
Total net assets attributed to Taiwan Mask Corporation	4,725,150
Percentage of ownership	20.00%
Net assets attributed based on percentage of ownership	945,030
Fair value of the equity investment on the date of acquisition	1,546,228
Goodwill	$601,198

Cash outflow of acquiring the subsidiary

	Carrying amount
Cash consideration paid	$1,546,228
Less: Balance of cash and equivalent cash acquired	(2,548,764)
Cash outflow of acquiring the subsidiary, net	$(1,002,536)

(34) Changes in subsidiaries' ownership

Sale of issued shares of a subsidiary

A. The Group disposed of 0.17% of the voting shares of Chander Electronics Ltd. during January 2024, decreasing the Group's shareholdings to 42.32%. The cash consideration acquired was NT$5,622 thousand, and the carrying amount of Chander Electronics Ltd.'s net assets (initial acquisition and without goodwill) was NT$949,103 thousand as of March 31, 2024. The equity adjustments due to the sale of Chander Electronics Ltd., including the decrease in non-controlling interests and adjustment of accumulated other comprehensive income, are as follow:

Cash consideration paid to non-controlling interests	$(5,623)
Increase in non-controlling interests	1,667
Differences recognized as additional paid-in capital in equity	$(3,956)

B. The Group disposed of 0.59% of the voting shares of Array Inc. during January to March, 2024, decreasing the Group's shareholdings to 35.58%. The cash consideration acquired was NT$8,628 thousand, and the carrying amount of Array Inc.'s net assets (initial acquisition and without goodwill) was NT$274,392 thousand as of June 30, 2024. The equity adjustments due to the sale of Array Inc., including the decrease in non-controlling interests and adjustment of accumulated other comprehensive income, are as follow:

Cash consideration paid to non-controlling interests	$(8,628)
Increase in non-controlling interests	2,354
Differences recognized as additional paid-in capital in equity	$(6,274)

Acquire subsidiaries' shares newly issued different from to the original ownership interest

A. Red Sunrise Co., Ltd.

Red Sunrise Co., Ltd. increased its capital on February 21, 2024. As the Group did not proportionally acquire shares newly issued to its original ownership interest, the Group's shareholdings ratio was reduced to 50.20%. The cash obtained from the capital increase amounted to NT$21,000 thousand, and the carrying amount of Red Sunrise Co., Ltd.'s net assets (initial acquisition without goodwill) was NT$217,523 thousand. The equity adjustments related to Red Sunrise Co., Ltd. are as follows:

Cash obtained from the capital increase	$21,000
Increase in non-controlling interests	(21,066)
Differences recognized as additional paid-in capital in equity	$(66)

B. Dara Power Co., Ltd.

Dara Power Co., Ltd. conducted a capital increase in March, April and November,2024, but the Group did not subscribe in proportion to its shareholdings, resulting in the shareholding ratio deduction from 100% to 57.27%. The following summarized the effect of changes in equity of Dara Power Co., Ltd. due to changes in the ownership interest of Dara Power Co., Ltd.:

Cash obtained from the capital increase	$(53,308)
Increase in non-controlling interests	56,787
Differences recognized as additional paid-in capital in equity	$3,479

C. Spectrum Electronics Co., Ltd.

Spectrum Electronics Co., Ltd. increased its capital on December 11,2024. As the Group did not proportionally acquire shares newly issued to its original ownership interest, the Group's shareholdings ratio was reduced to 43.04%. The cash obtained from the capital increase amounted to NT$720,000 thousand, and the carrying amount of Spectrum Electronics Co., Ltd.'s net assets (initial acquisition without goodwill) was NT$ 929,394 thousand. The equity adjustments related to Spectrum Electronics Co., Ltd. are as follows:

Cash obtained from the capital increase	$720,000
Increase in non-controlling interests	(419,164)
Differences recognized as additional paid-in capital in equity	$300,836

D. Array, Inc.

On February 21, 2025, Array, Inc. issued new shares through a private placement and received cash proceeds of NT$51,600 thousand, all of which were subscribed for by the Company, resulting in an increase in the Group's ownership interest to 38.78%. The carrying amount of the net assets of Array, Inc. (originally acquired and excluding goodwill) amounted to NT$343,117 thousand. The Group's equity interest in Array, Inc. is presented as follows:

Cash obtained from the capital increase	$-
Increase in non-controlling interests	13,973
Differences recognized as additional paid-in capital in equity and retained earnings	$13,973

(35) Disposal the important assets

On May 14, 2024, the Board of Directors resolved to dispose of the intellectual property rights (except the mainland of China and Taiwan) of Sword and Fairy and Xuan-Yuan Sword (global), and authorize the chairman to plan and negotiate

1. The company was approved by the board of directors on September 11, 2024 to dispose of the intellectual property rights of Sword and Fairy (except China) cases are as follows:

A. Transaction Counterparty and Price: SuperNova Overseas Limited is Hong Kong CMGE
Technology Group Limited 100% owned subsidiary. The price is RMB18,300 thousand in cash and 38,000 thousand ordinary shares issued by CMGE, with a total conversion price of approximately NT$190,816 thousand.

a. The relevant disposition gains and losses are presented as follows: In the fourth quarter of this year, the intellectual property transfer procedure of Sword and Fairy was completed, and the disposal benefits were recognized NT$212,472 thousand was included in other benefits and losses, and the first instalment of cash consideration was received RMB14,640 thousand (approximately NT$65,748 thousand) and 38,000 thousand ordinary shares issued by CMGE, the second instalment of RMB 3,660 thousand was recorded in other receivables - others.

2. The company was approved by the board of directors on September 11, 2024 to dispose of the intellectual property rights of Xuan-Yuan Sword (global) cases are as follows:

A. Transaction Counterparty and Price: Huandong (Hong Kong) Technology Co., Ltd. (hereinafter referred to as "Huandong Company"),and the price is US$10,450 thousand.

B. The Company intends to transfer the entire equity interest in the newly established 100% Samoa subsidiary through the transfer Xuan-Yuan Sword (global).

a. The Company established a new subsidiary in Samoa with 100% ownership, GOLDEN AVENUE GROUP, (hereinafter referred to as "GOLDEN")
b. The Company intends to use Xuan-Yuan Sword (global) as the price for US$10,450 thousand for 1 new share of GOLDEN.
c. The Company transferred all the shares of Golden to Huandong Company.

The Company received the first instalment of US$1,400 thousand in the fourth quarter of 2024. As of the issuance date of 2024 consolidated financial statements, the procedure has not yet been completed.

(36) Subsidiaries with material non-controlling interests

Financial information of the subsidiaries with material non-controlling interests are provided below:

Proportion of equity interests held by non-controlling interests:

Name	Country of operation	As of December 31, 2025	As of December 31, 2024
Spectrum Electronics Co., Ltd. and its subsidiaries	Taiwan	56.75%	56.96%
Chander Electronics Corp. and its subsidiaries	Taiwan	57.17%	57.68%
Ali Corporation and its subsidiaries	Taiwan	83.49%	-%
Taiwan Mask Corporation and its subsidiaries	Taiwan	80.00%	-%

Note: The aforementioned percentage of equity interests refers to the total shareholding ratio of non-controlling interests. As Spectrum Electronics Co., Ltd., Chander Electronics Corp., Ali Corporation and Taiwan Mask Corporation both hold subsidiaries, the information below is their consolidated financial information.

	For the years ended December 31,	
Accumulated balance of material non-controlling interests:	2025	2024
Spectrum Electronics Co., Ltd. and its subsidiaries	$1,070,514	$1,010,136
Chander Electronics Corp. and its subsidiaries	570,543	586,950
Ali Corporation and its subsidiaries	874,189	-
Taiwan Mask Corporation and its subsidiaries	3,423,482	-

	For the years ended December 31,	
Profit (loss) allocated to material non-controlling interests:	2025	2024
Spectrum Electronics Co., Ltd. and its subsidiaries	$94,276	$108,670
Chander Electronics Corp. and its subsidiaries	19,737	67,657
Ali Corporation and its subsidiaries	(300,211)	-
Taiwan Mask Corporation and its subsidiaries	(409,271)	-

The summarized financial information of the subsidiaries is provided below; the information is based on amounts before inter-company eliminations.

Summarized information of profit or loss for the year ended December 31, 2025:

	Ali Corporation and its subsidiaries	Taiwan Mask Corporation and its subsidiaries	Spectrum Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Operating revenue	$1,140,949	$6,038,069	$2,197,271	$837,435
(Loss) Profit for current period from continuing operations	(603,852)	(1,476,965)	192,372	70,205
Total comprehensive income for current period	$(595,531)	$(1,479,323)	$168,299	$151,613

Summarized information of profit or loss for the year ended December 31, 2024:

	Uniplus Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Operating revenue	$2,334,455	$750,191
Profit (loss) for current period from continuing operations	212,978	179,449
Total comprehensive income for current period	$82,313	$108,096

Summarized information of assets and liabilities as of December 31, 2025:

	Ali Corporation and its subsidiaries	Taiwan Mask Corporation and its subsidiaries	Spectrum Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Current assets	$1,660,876	$5,276,718	$1,437,295	$867,670
Non-current assets	2,280,723	12,203,379	3,479,262	1,074,623
Current liabilities	1,308,020	8,309,868	1,420,414	633,048
Non-current liabilities	1,170,849	4,824,084	1,177,701	110,896

Summarized information of assets and liabilities as of December 31, 2024:

	Uniplus Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Current assets	$1,440,810	$716,988
Non-current assets	1,867,942	790,292
Current liabilities	794,457	375,540
Non-current liabilities	369,748	75,706

Summarized cash flow information for the year ended December 31, 2025:

	Ali Corporation and its subsidiaries	Taiwan Mask Corporation and its subsidiaries	Spectrum Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Operating activities	$(262,532)	$2,376,513	$423,271	$(189,604)
Investing activities	(974,326)	1,493,582	(1,819,969)	(98,000)
Financing activities	940,925	(1,450,157)	1,403,894	182,003
Effect of exchange rate	30,937	(8,596)	-	112
Net increase (decrease) in cash and cash equivalents	(264,996)	(575,822)	7,196	(105,489)

Summarized cash flow information for the year ended December 31, 2024:

	Uniplus Electronics Co., Ltd. and its subsidiaries	Chander Electronics Corp. and its subsidiaries
Operating activities	$416,430	$(59,152)
Investing activities	(436,186)	158,673
Financing activities	156,897	62,721
Effect of exchange rate	-	834
Net (decrease) increase in cash and cash equivalents	137,141	163,076

7. Related party transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
Global Angel Investments Limited	The chairman of the Group is the chairman of this company
Bacchus Wine Group Co., Ltd.	The chairman of the Group is the chairman of this company
Angel Wine & Spirit Group Co., LTD	The chairman of the Group is the chairman of this company
Care & Love Wine Co., Ltd.	The chairman of the Group is the chairman of this company
A.R.T. Games Co., Ltd.	Associate
Double Edge Entertainment Corp.	Associate
Niusnews Co., Ltd.	Associate
BKS Tec Corp. (Note 1)	Associate
Truelight Corporation (Note 1)	Associate
Weida Hi-tech Co., Ltd. (Note 1)	Associate
AIXlink Technology (Chengdu) Co., Ltd. (Note 2)	Associate
Yousing Technology Co., Ltd. (Note 3)	Associate
Heshan Ltd.	The juridical director of the Group's subsidiary
Jiangsu Dingmao Amorphous Technology Inc.	The general manager of the Group's sub-subsidiary is the chairman of this company
Mr. Jiun-Kuang, Tu	Chairman
Mr. Jiun-Rung, Tu	The chairman of the Group's subsidiary
Mr. Bau-Lin, Lu	The chairman of the Group's subsidiary
Mr. Kai-Yuan, Wang	The chairman of the Group's sub-subsidiary
Galaxy Power Holdings Limited	Other related parties
American Industrial System INC. (AIS)	Other related parties
Huahan technology co.	Other related parties
Ontario Capital Co., Ltd. (Note 4)	Other related parties

Note 1: In July 2025, the Group acquired an equity interest in Taiwan Mask Corporation and obtained control. As a result, Berkshire Technology Corporation, Global Brands Technology Corporation, and VDATA Technology Corporation became associates of the Group.

Note 2: In July 2025, the Group acquired an equity interest in ALi Technology Corporation and obtained control. As a result, Universal Chip Technology (Chengdu) Co., Ltd. became an associate of the Group.

Note 3: In November 2025, Red Sunrise Co., Ltd. invested in 240,000 shares of Yousing Technology Co., Ltd., representing a 21% ownership interest and conferring significant influence. As a result, Yousing Technology Co., Ltd. became an associate of the Group.

Note 4: The chairman of the Company also serves as a director of Taiwan Mask Corporation, a subsidiary of the Group. As the Group acquired an equity interest in Taiwan Mask Corporation in July 2025, the Company accordingly became an other related party of the Group.

Significant transactions with the related parties

(1) Sales

	For the years ended December 31,	
	2025	2024
Sale of goods		
Other related parties		
Weida Hi-tech Co., Ltd.	$7,875	$-
Truelight Corporation	208	-
Associates		
Galaxy Power Holdings Limited	2,564	-
Bacchus Wine Group Co., Ltd.	139	661
Global Angel Investments Limited	119	-
Rendering of services		
Other related parties		
American Industrial System INC.	1,823	-
Yousing Technology Co., Ltd.	681	-
Bacchus Wine Group Co., Ltd.	114	177
Galaxy Power Holdings Limited	-	90
Total	$13,523	$928

The sales terms of the above related parties were determined through mutual agreement. The collection period from sales to the related party customers are 30~60 days, which is not significantly different from that with unrelated parties.

(2) Purchases

	For the years ended December 31,	
	2025	2024
Other related parties		
Galaxy Power Holdings Limited	$13,705	$293
Bacchus Wine Group Co., Ltd.	586	9,093
Associates		
Truelight Corporation	7,289	-
Double Edge Entertainment Corp.	797	1,162
Total	$22,377	$10,548

The purchase price and collection terms to related parties are similar to those to third party customers for the purchase between the Group and related parties.

(3) Operating cost

	For the years ended December 31,	
	2025	2024
Other related parties		
Global Angel Investments Limited	$11,264	$8,581
Huahan technology co.	919	-
Bacchus Wine Group Co., Ltd.	860	2,532
Galaxy Power Holdings Limited	345	892
Care & Love Wine Co., Ltd.	-	6
Mr. Bau-Lin, Lu	-	600
Heshan Ltd.	-	517
Associates		
Double Edge Entertainment Corp.	145	46
Total	$13,533	$13,228

(4) Accounts receivable-related parties

	For the years ended December 31,	
	2025	2024
Associates		
AIXlink Technology (Chengdu) Co., Ltd.	$31,455	$-
Weida Hi-tech Co., Ltd.	3,242	-
Truelight Corporation	6	-
Other related parties		
American Industrial System INC. (AIS)	27,028	59,339
Yousing Technology Co., Ltd.	5,590	-
Galaxy Power Holdings Limited	1,500	1,500
Bacchus Wine Group Co., Ltd.	34	-
Subtotal	60,839	60,839
Less: loss allowance	(59,984)	-
Total	$8,871	$60,839

(5) Other receivable-related parties

	For the years ended December 31,	
	2024	2024
Associates		
BKS Tec Corp.	$5,203	$-
Galaxy Power Holdings Limited	2,041	-
Truelight Corporation	405	-
Yousing Technology Co., Ltd.	2	-
Total	$7,651	$-

(6) Prepayments

	As of December 31,	
	2025	2024
Other related parties		
Global Angel Investments Limited	$1,516	$843
Galaxy Power Holdings Limited	-	13,705
Bacchus Wine Group Co., Ltd.	461	879
Associates		
Niusnews Co., Ltd.	566	366
Double Edge Entertainment Corp.	257	516
A.R.T. Games Co., Ltd.	-	419
Total	$2,800	$16,728

Prepayment-related parties relates to prepayments for game royalties and technical service expenses.

(7) Refundable deposits

	As of December 31,	
	2025	2024
Other related parties		
Global Angel Investments Limited	$2,970	$3,060

(8) Contract liability

	As of December 31,	
	2025	2024
Other related parties		
American Industrial System INC. (AIS)	$2,078	$3,901
Associates		
Yousing Technology Co., Ltd.	2	-
Total	$2,080	$3,901

(9) Accounts payables-related parties

	As of December 31,	
	2025	2024
Associates		
Double Edge Entertainment Corp.	$340	$248
Bacchus Wine Group Co., Ltd.	220	53
Total	$560	$301

(10) Other payables-related parties

	As of December 31,	
	2025	2024
Other related parties		
Huahan Technology Co.	$462	$254
Global Angel Investments Limited	110	-
Galaxy Power Holdings Limited	-	86
Associates		
Bacchus Wine Group Co., Ltd.	26	98
Total	$598	$438

(11) Other current liability

	As of December 31,	
	2025	2024
Other related parties		
Yousing Technology Co., Ltd.	$594	$-

(12) Property transactions

A. In April 2025, the Group acquired from a related party a 100% equity interest in its subsidiary, Cocoro International Co., Ltd., for a consideration of NT$27,671 thousand.

B. In the third quarter of 2024, the Group acquired office equipment and leasehold improvements from Global Angel Investment Limited for NT$3,384 thousand, which were recognized under property, plant and equipment.

(13) Lease-related parties

A. Right-of-use assets

	As of December 31,	
	2025	2024
Other related parties		
Global Angel Investments Limited	$2,113	$3,925

B. Lease liabilities

	As of December 31,	
	2024	2024
Other related parties		
Global Angel Investments Limited		
Lease liabilities, current	$1,870	$1,844
Lease liabilities, non-current	314	2,184
Total	$2,184	$4,028

C. Interest expenses

	As of December 31,	
	2025	2024
Other related parties		
Global Angel Investments Limited	$41	$66

D. For the years ended December 31, 2025 and 2024, the Group's rental payments for leasing the offices from other related parties were paid monthly through remittance or checks. For the years ended December 31, 2025 and 2024, the amounts were paid NT$11,300 and NT$8,771 thousand, respectively.

(14) Borrowings from related parties

2025.12.31					
Name of related party	Maximum outstanding balance	Ending balance	Interest rate	Interest expense	Pledge status
Other related parties	$110,969	$77,494	2.7%	$1,601	—

The borrowings from related parties are repayable at maturity, with the loan period ranging from March 31, 2024 to December 18, 2026.

(15) As of December 31, 2025, the Group’s borrowings from financial institutions were jointly and severally guaranteed by an other related party, Mr. Jiun-Kuang, Tu.

(16) During the third quarter of 2024, the Company’s subsidiary, Chander Electronics Corp., purchased 400 domestic convertible bonds cost NT$41,020 thousand, issued by the Company in the open market. The transaction has been eliminated in the preparation of the consolidated financial statements.

(17) In April 2025, the Company purchased a total of 803 thousand shares of Spectrum Electronics Co., Ltd. on the open market and indirectly held equity interests in Spectrum Electronics Co., Ltd. through Red Sunrise Co., Ltd. and Chander International Co., Ltd., resulting in an aggregate ownership interest of 43.25%.

(18) Key management personnel compensation

	For the years ended December 31,	
	2024	2024
Short-term employee benefits	$141,859	$136,794
Post-employment benefits	1,941	1,643
Other long-term benefits	1,650	1,597
Share-based payment	16,026	64,398
Total	$161,476	$204,432

8. Assets pledged as security

The following table lists assets of the Group pledged as security:

	Carrying amount		
Items	December 31, 2025	December 31, 2024	Secured liabilities
Financial assets at fair value through other comprehensive income	$1,724,629	$-	Bank Borrowings
Other financial assets, current	942,980	95,206	Short-term borrowings and current portion of long-term borrowings, collateral for letter of credit and customs duty guarantee
Other financial assets, non-current	580,466	130,541	Long-term borrowings, collateral for letter of credit, customs duty guarantee, bank credits and merchant services and performance bond
Land and buildings	2,830,671	590,038	Long-term and short-term borrowings secured by land and buildings

Property, plant and equipment and equipment pending inspection	5,337,949	-	Long-term borrowings secured by machinery and equipment
Investment property - land	245,800	28,336	Long-term and short-term borrowings secured by land
Investment property - buildings	219,242	20,205	Long-term and short-term borrowings secured by buildings
Shares of associate Neweb Technologies Co., Ltd.	173,816	95,742	Long-term borrowings
Inventory	765	123	Inventory financing loans
Leased equipment	30,267	-	Long-term borrowings secured
Other equipment	27,798	-	Long-term borrowings secured
Deposits paid	25,411	-	Long-term borrowings and lease deposits secured
Total	$12,139,794	$960,191	

(a) As of December 31, 2025 and 2024, the subsidiary Spectrum Electric Co., Ltd. pledged an aggregate of 7,771 thousand and 6,370 thousand shares, respectively, of the Company's ordinary shares as collateral for long-term borrowings secured by equity.

(b) As of December 31, 2025 and 2024, the subsidiary Quan Da International Co., Ltd. and its subsidiaries pledged an aggregate of 3,767 thousand shares and 1,444 thousand shares, respectively, of the Company's ordinary shares as collateral for bank borrowings.

(c) As of December 31, 2025 and 2024, the subsidiary Quan Da International Co., Ltd. pledged 400 tranches of the Company's convertible corporate bonds in each year as collateral for inventory financing borrowings.

(d) As of December 31, 2025, the subsidiary Chander Electronics Corp. pledged an aggregate of 1,000 thousand shares of the ordinary shares of Spectrum Electronics Co., Ltd. as collateral for inventory financing borrowings.

(e) Array Networks, Inc. (Array US) obtained borrowings from Cathay Bank. According to the provisions of the Uniform Commercial Code of the United States, the creditor has priority security rights over the entire assets of the borrower.

9. Commitments and contingencies

(1) As of December 31, 2025, amounts available under unused letters of credit of the Group were NT$41,817 thousand.

(2) As of December 31, 2025, San Jiang Electric MFG. Co., Ltd. issued bank guarantee notes for material purchases in the amount of NT$46,281 thousand.

(3) As of September 30, 2025, the amount of contracted but not yet incurred capital expenditures of Taiwan Mask Corporation and its subsidiaries amounted to NT$642,669 thousand.

(4) The Group's subsidiary, Array India, is currently the third defendant in a civil lawsuit filed by Tata Advanced Systems Limited against the Unique Identification Authority of India and Array India. The case is under trial before the Delhi High Court in India and a hearing was held on March 23, 2026. As of the date of authorization for issuance of these financial statements, the case remains pending before the Delhi High Court in India.

10. Loss due to major disasters

None.

11. Significant subsequent events

A. On January 22, 2026, the Board of Directors of the Company approved the acquisition of 100% equity interests in Zao Long Electrical Engineering Co., Ltd. And Qin Yao Electrical Engineering Co., Ltd. The preliminary estimated purchase price is NT$350,000 thousand; however, the final purchase price will be determined based on the completion date of the relevant due diligence procedures and subsequent negotiations between the parties regarding the terms of future cooperation. The purchase price allocation for each target company shall be subject to the definitive transaction agreements.

B. B.On March 31, 2026, the Board of Directors of the Company resolved to approve the cash capital increase of its subsidiary, Jiu He Yi Technology Co., Ltd. The capital increase price was NT$10 per share, with a total of 4,150 thousand ordinary shares and an aggregate amount of NT$41,500 thousand. Upon completion of the capital increase, the Company held 47.32% of the equity interest in Jiu He Yi Technology Co., Ltd.

C. On March 31, 2026, the Board of Directors of the Company approved its subsidiary, Jiu He Yi Technology Co., Ltd. to participate in the private placement of Array Inc. through a cash capital increase. The subscription price was NT$13 per share, with a total of 6,670 thousand ordinary shares and an aggregate amount of NT$86,710 thousand. Upon completion of the capital increase, Jiu He Yi Technology Co., Ltd. held 9.27% of the equity interest in Array Inc.

D. In March 2026, the Company's subsidiary, Loftstar Interactive Entertainment Inc., applied for a change of its company name to Softstar Entertainment Inc.

E. On February 13, 2026, the Group disposed of its subsidiary, Guangpu Optics Co., Ltd., by selling it to an associate, Innova Vision Inc., for a consideration of NT$6,000 thousand.

F. On January 29, 2026, the board of directors of Chander Electronics Corp. resolved to increase the amount of loans to its subsidiary, San Jiang Electric MFG. Co., Ltd., by NT$20,000 thousand to meet its working capital requirements. The chairman was authorized to execute the loans in installments within the approved limit.

G. On January 29, 2026, the board of directors of Chander Electronics Corp. resolved to participate in the cash capital increase of its subsidiary, Yun Fang Co., Ltd., with an amount not exceeding NT$40,000 thousand, in response to the Group's business integration and organizational restructuring.

H. On March 13, 2026, the board of directors of Chander Electronics Corp., Ltd. resolved to participate in the cash capital increase of Zhu Internation Group Inc., with an amount not exceeding NT$40,000 thousand, in response to the Group's business integration and organizational restructuring.

I. On March 13, 2026, the board of directors of Chander Electronics Corp. resolved to dispose of its 100% equity interest in its subsidiary, Yun Fang Co., Ltd., by selling it to Zhu Internation Group Inc., in response to the Group's business integration and organizational restructuring.

12. Others

(1) Categories of financial instruments

Financial assets	As of December 31,	
	2025	2024
Financial assets at fair value through profit or loss	$2,662,300	$242,803
Financial assets at fair value through other comprehensive income	104,837	113,183
Financial assets measured at amortized cost		
Cash and cash equivalents (except for cash on hand)	2,347,808	1,050,085
Notes receivable	31,114	7,177
Accounts receivable	2,000,158	1,294,844
Accounts receivable-related parties	8,871	60,839
Finance lease receivable (current and noncurrent)	44,275	67,459
Other receivables	191,035	28,346
Other receivables-related parties	7,651	-
Other financial assets, current	1,045,754	268,494
Refundable deposits	169,951	106,013
Other financial assets, non-current	590,569	131,362
Total	$9,204,323	$3,370,605

Financial liabilities	As of December 31,	
	2025	2024
Financial liabilities at fair value through profit or loss	$27,370	$2,610
Financial liabilities at amortized cost:		
Short-term borrowings	$6,899,181	801,619
Notes payable	7,021	32,728
Accounts payable	957,855	476,986
Accounts payable-related parties	560	301
Other payables	1,847,063	323,625
Other payables-related parties	598	438
Long-term borrowings (including current portion)	6,755,184	472,903
Bonds payable (including current portion)	2,342,354	241,771
Lease liabilities	890,553	585,111
Guarantee deposits	33,677	29,298
Total	$19,761,416	$2,967,390

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD and RMB. The information of the sensitivity analyses as follows:

A. When NTD strengthens/weakens against USD by 1%, the profit or loss for the years ended December 31, 2025 and 2024 is decreased/increased by NT$2,592 thousand and NT$2,656 thousand, respectively.
B. When NTD strengthens/weakens against RMB by 1%, the profit or loss for the years ended December 31, 2025 and 2024 is decreased/increased by NT$481 thousand and NT$'515 thousand, respectively.
C. When NTD strengthens/weakens against JPY by 1%, the profit or loss for the years ended December 31, 2025 and 2024 is decreased/increased by NT$5,206 thousand and NT$381 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investment of debt instruments at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group managed interest rate risk by sustaining appropriate combination of fixed and floating interest rate, but it's not applicable to hedge accounting because of not meeting the criteria of hedge accounting.

The sensitivity analysis of the interest rate risk pertains primarily to the interest rate exposure items at the end of financial statement reporting period, including borrowings with floating rate. Assuming holding in a whole fiscal year, an increase/ decrease of 10% in interest rate, the profit for the years ended December 31, 2025 and 2024 is decreased/increased by NT$13,153 thousand and NT$937 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities is susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions. An increase/decrease of 10% in the price of the listed companies' stocks classified as equity instruments investments measured at fair value through other comprehensive income could have an impact of NT$990 thousand and NT$1,720 thousand on the equity attributable to the Group for the years ended December 31, 2025 and 2024, respectively.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for contract assets, accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all trading partners based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain trading partners' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment.

As of December 31, 2025 and 2024, contract assets and accounts receivable from top ten customers represent 39.55% and 68.20% of the total accounts receivables of the Group, respectively. The credit concentration risk of other accounts receivable is relatively insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies, and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
As of December 31, 2025					
Accounts payable (including other payables)	$2,813,097	$-	$-	$-	$2,813,097
Short-term borrowings	7,002,779	-	-	-	7,002,779
Long-term borrowings (including estimated interest)	2,159,017	2,675,127	1,226,027	1,076,986	7,137,157
Bonds payable	136,160	1,022,726	1,357,240	-	2,516,126
Lease liabilities (Note)	211,329	174,603	237,062	384,709	1,007,703
As of December 31, 2024					
Accounts payable (including other payables)	$834,078	$-	$-	$-	$834,078
Short-term borrowings	911,015	-	-	-	911,015
Long-term borrowings (including estimated interest)	132,828	345,793	12,812	-	491,433
Bonds payable	-	241,771	-	-	241,771
Lease liabilities (Note)	180,902	176,676	194,042	75,209	626,829

Note: Including cash flows resulted from short-term leases or leases of low-value assets.

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the year ended December 31, 2025:

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Guarantee deposits	Bonds payable	Total liabilities from financing activities
As of January 1, 2025	$801,619	$472,903	$585,111	$29,298	$241,771	$2,130,702
Cash flows	1,630,874	(181,170)	(175,072	1,584	4,977	1,344,193
Non-cash changes	4,466,688	6,497,705	480,514	2,795	2,095,606	13,543,308
As of December 31, 2025	$6,899,181	$6,852,438	$890,553	$33,677	$2,342,354	$17,018,203

Reconciliation of liabilities for the year ended December 31, 2024:

	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities	Guarantee deposits	Bonds payable	Total liabilities from financing activities
As of January 1, 2024	$1,043,669	$765,536	$179,093	$26,164	$-	$2,014,462
Cash flows	(242,050)	(292,633)	(172,649)	3,134	298,845	(405,353)
Non-cash changes	-	-	578,667	-	(57,074)	521,593
As of December 31, 2024	$801,619	$472,903	$585,111	$29,298	$241,771	$2,130,702

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

(A) The carrying amount of cash and cash equivalents, accounts receivables, refundable deposits, accounts payable and other current liabilities approximate their fair value due to their short maturities.

(B) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

(C) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method or income approach valuation techniques. The market method valuation is based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities). The income method is based on the estimated recoverable amount of the present value of similar financial assets that are expected to be received from cash dividends or disposals of investments.

(D) Fair value of debt instruments without market quotations, bank loans, bonds payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the GreTai Securities Market, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(E) The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

The carrying amount of the Group's financial assets and financial liabilities measured at amortized cost is approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12 (8) for fair value measurement hierarchy for financial instruments of the Group.

(8) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$1,762,276	$60,140	$330,479	$2,152,895
Fund	-	-	-	-
Limited partnership	-	-	167,104	167,104
Film investment agreement	-	-	30	30
Convertible bonds (redemption rights)	-	30	-	30
Structured deposits	-	-	126,994	26,994
Beneficiary certificates of funds	-	-	236,168	236,168
Joint operation agreement	-	-	54,828	54,828
Convertible preferred shares	-	-	24,251	24,251
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	8,045	1,850	94,942	104,837

As of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$124,594	$-	$-	$124,594
Fund	1,717	-	-	1,717
Limited partnership	-	-	115,811	115,811
Film investment agreement	-	-	651	651
Convertible bonds (redemption rights)	-	30	-	30
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	14,493	2,707	95,983	113,183

Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Measured at fair value through profit or loss							Financial assets at fair value through profit or loss
	Limited partnership	Film investment agreement	Joint operation agreement	Equity securities	Structured deposits	Beneficiary certificates of funds	Total	Stocks
Beginning balances as of January 1, 2025	$115,811	$651	$-	$-	$-	$-	$116,462	$95,983
Total gains and losses recognized for the year ended December 31, 2025								
Amount recognized in profit or loss (presented in "Unrealized gains (losses) from financial asset at fair value through profit or loss)	(1,389)	-	9,700	22,741	(504)	5,153	37,701	-

Amount recognized in OCI (presented in "Unrealized gains (losses) from financial asset at fair value through other comprehensive income)	-	-	-	-	-	-	-	18,694
Acquired in 2025	81,166	-	46,000	164,688	327,675	240,562	860,091	-
Deposal in 2025	(28,484)	(621)	(872)	(200,322)	(305,631)	-	(535,930)	(19,735)
Reclassified from the equity method	-	-	-	356,616	-	-	356,616	-
Capital reduction proceeds received from investees	-	-	-	(2,500)	-	-	(2,500)	-
Redemption of corporate bonds in 2025	-	-	-	15,234	-	-	15,234	-
Foreign exchange effects	-	-	-	(3,727)	5,454	(9,547)	(7,820)	-
Ending balances as of December 31, 2025	$167,104	$30	$54,829	$330,479	$26,994	$236,168	$839,854	$94,942

	Assets			
	Measured at fair value through profit or loss			Measured at fair value through other comprehensive income
	Limited partnership	Film investment agreement	Total	Stocks
Beginning balances as of January 1, 2024	$51,726	$3,000	$54,726	$112,263
Total gains and losses recognized for the year ended December 31, 2024				
Amount recognized in profit or loss (presented in "Unrealized gains (losses) from financial asset at fair value through profit or loss)	19,824	-	19,824	-
Amount recognized in OCI (presented in "Unrealized gains (losses) from financial asset at fair value through other comprehensive income)	-	-	-	(16,280)
Acquired in 2024	48,651	-	48,651	-
Reclassified in 2024	(4,390)	(2,349)	(6,739)	-
Ending balances as of December 31, 2024	$115,811	$651	$116,462	$95,983

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

The fair value of fund, limited partnership and unlisted stocks are estimated by the asset-based approach. The asset-based approach involves assessing the total value of individual assets and liabilities to reflect the overall value of the enterprise or business and calculating the equity value of the company based on the fair value of its net assets.

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's Finance Department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Not measured at fair value but need to disclosure fair value measurement hierarchy of the Group's assets and liabilities

As of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Only fair value assets are disclosed:				
Investment property (Note 6(11))	$-	$-	$894,890	$894,890
Liabilities with fair value disclosure only:				
Long-term loans	-	-	7,137,157	7,137,157
Bonds payable	-	-	2,342,354	2,342,354

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Only fair value assets are disclosed:				
Investments using the equity method(Note 6(9))	$-	$-	$52,338	$52,338
Investment property (Note 6(11))	-	-	52,565	52,565
Liabilities with fair value disclosure only:				
Long-term loans	-	-	491,433	491,433
Bonds payable	-	-	241,771	241,771

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

(Expressed in thousands)

	December 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD: TWD	$13,188	31.43	$412,301
USD: RMB	874	6.99	27,481
RMB: TWD	25,538	4.50	114,836
JPY: TWD	821,704	0.20	165,033
HKD: TWD	4,589	4.04	18,532
Monetary items:			
RMB: TWD	32,514	4.50	146,184
Financial liabilities			
Monetary items:			
USD: TWD	21,363	31.43	671,452
USD: RMB	(1)	6.99	(39)
RMB: TWD	14,834	4.50	66,697
JPY: TWD	3,413,267	0.20	685,599
EUR: TWD	1,169	36.90	43,136

	December 31, 2024		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
USD: TWD	$9,183	32.79	$301,062
RMB: TWD	11,882	4.48	53,227
JPY: TWD	182,648	0.21	38,338
HKD: TWD	2,879	4.21	12,109
Financial liabilities			
Monetary items:			
USD: TWD	1,082	32.79	35,483
RMB: TWD	379	4.48	1,695
JPY: TWD	1,150	0.21	241

The above information is disclosed based on the carrying amount of foreign currency (after conversion of functional currency).

The Group has a variety of functional currencies, therefore the monetary impact on financial assets and liabilities impact for each individual currency cannot be disclosed. For the years ended December 31, 2025 and 2024, foreign exchange losses were NT$16,471 thousand and foreign exchange gains NT$16,720 thousand, respectively.

(10) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Additional disclosure

(1) The following are additional disclosures for the Company and its affiliates as required by the R.O.C. Securities and Futures Bureau:

(A) Financing provided to other: Please refer to Attachment 1-1 to 1-9.
(B) Endorsement/Guarantee provided to others: Please refer to Attachment 2-1 to 2-4.
(C) Securities held (excluding subsidiaries, associates and joint venture): Please refer to Attachment 3.
(D) Business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions: Please refer to Attachment 6.
(E) Names, locations and related information of investee companies (Not including investment in Mainland China): Please refer to Attachment 7.
(F) Receivables from related parties with amounts exceeding the lower of NT$100 million and 20 percent of the capital stock: Please refer to Attachment 4.
(G) Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million and 20 percent of the capital stock: Please refer to Attachment 5.

(2) Information on investments in mainland China

(A) Basic information: Please refer to Attachment 8-1 to 8-3.
(B) Directly or indirectly significant transactions through third regions with the investees in Mainland China: None.

(3) Information on major shareholders: Please refer to Attachment 10.

14. Segment information

For management purposes, the Group is organized into business units based on their products and services and has seven reportable operating segments as follows:

Operating Department: this segment is mainly responsible for researching, licensing, sales of products and research and development of products and licensing.

Semiconductor Department: this segment is mainly responsible for the manufacturing, design and sale of electronic products.

Medical Department: The principal business activities of this segment are the manufacturing and trading of medical devices.

Electronic Products Department: this segment is mainly responsible for manufacturing, designing, and sales of electronic products.

Electronic Parts and Components Department: this segment is mainly responsible for sales of electronic parts and components.

Network Application Department: this segment is mainly responsible for researching, manufacturing and sale of application delivery controllers, high-end SSL VPN systems, remote desktop access solutions, application acceleration and WAN optimization controllers.

Third-payment Department: this segment is mainly responsible for third-party payment services.

Power Distribution Machinery Manufacturing Department: this segment is mainly responsible for production and sale of transformers and distribution boards.

Other Department: this segment mainly includes manufacturing and sales of beauty and skincare products, catering, domestic and foreign liquor agent sale, and others.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segment are on an arm's length basis in a manner similar to transactions with third parties.

(1) The following table presents segment profit and loss of the Group' operating segments:

(Expressed in thousands)

For the year ended December 31, 2025

Revenue	Operating Department	Semiconductor Department	Medical Department	Electronic Products Department	Electronic parts and components Department	Network Application Department	Third-party payment Department	Power Distribution Machinery Manufacturing Department	Food & beverage services	Other Department	Adjustment and elimination	Total
External customer	$243,707	$2,587,536	$161,303	$383,976	$834,310	$525,533	$177,960	$1,799,025	$734,404	$9,634	$-	$7,457,388
Inter-segment	31,888	-	-	4,635	3,125	12,363	3,604	-	47	-	(55,562/)	-
Inter-segment	$275,595	$2,587,536	$161,303	$388,611	$837,435	$537,896	$181,564	$1,799,025	$734,451	$9,634	$(55,562)	$7,457,388
Total revenue	$(266,432)	$(459,050)	$(43,874)	$3,848	$(130,179)	$(341,396)	$(25,987)	$313,708	$(51,752	$(2,964)	$17,423	$(986,655)

(Expressed in thousands)

	For the year ended December 31, 2024 (Adjusted)									
Revenue	Operating Department	Electronic Products Department	Electronic parts and components Department	Network Application Department	Third-party payment Department	Power Distribution Machinery Manufacturing Department	Food & beverage services	Other Department	Adjustment and elimination	Total
External customer	$471,130	$336,554	$722,925	$712,765	$219,811	$1,988,998	$615,736	$34,708	$-	$5,102,627
Inter-segment	58,895	-	1,400	-	300	61	-	-	(60,656)	-
Total revenue	$530,025	$336,554	$724,325	$712,765	$220,111	$1,989,059	$615,736	$34,708	$(60,656)	$5,102,627
Segment (loss) profit	$(226,703)	$(15,985)	$(116,462)	$(3,502)	$(9,671)	$268,250	$(37,268)	$(5,327)	$8,342	$(138,326)

Inter-segment revenue is eliminated on consolidation and recorded under the "adjustment and elimination" column, all other adjustments and eliminations are disclosed below.

The following table presents segment assets of the Group's operating segments as at December 31, 2025 and 2024:

Operating segment assets

	Operating Department	Semiconductor Department	Medical Department	Electronic Products Department	Electronic Parts and Components Department	Network Application Department	Third-party Payment Department	Power Distribution Machinery Manufacturing Department	Food & beverage services Department	Other Department	Reportable operating segments	Adjustment and elimination	Total
December 31, 2025	$1,730,034	$19,706,407	$1,028,301	$3,071,146	$2,341,615	$724,466	$639,219	$1,959,854	$986,798	$6,181	$32,194,021	$(3,189,010)	$29,005,011
December 31, 2024 (Adjusted)	$954,826	$-	$-	$1,990,970	$1,770,310	$1,083,006	$560,295	$1,433,628	$761,974	$265,580	$8,820,589	$(932,438)	$7,888,151

Operating segment liabilities

	Operating Department	Semiconductor Department	Medical Department	Electronic Products Department	Electronic Parts and Components Department	Network Application Department	Third-party Payment Department	Power Distribution Machinery Manufacturing Department	Food & beverage services Department	Other Department	Reportable operating segments	Adjustment and elimination	Total
December 31, 2025	$1,584,221	$13,983,494	$873,890	$560,033	$793,690	$633,064	$248,068	$2,041,979	$665,572	$785	$21,384,796	$(340,840)	$21,043,956
December 31, 2024 (Adjusted)	$844,784	$-	$-	$257,383	$496,671	$694,407	$259,323	$905,758	$496,887	$114,142	$4,069,355	$(214,647)	$3,854,708

Other reconciliations of reportable segments

	For the years ended December 31,	
	2025	2024 (Adjusted)
Total profit or loss for reportable segments	$(986,655)	$(138,326)
Other (loss) profit	(336,456)	425,282
(Loss) or profit before tax from continuing operations	$(1,323,111)	$286,956

(3) Geographical information

Revenue from external customers:

	For the years ended December 31,	
	2025	2024
Taiwan	$3,982,162	$2,882,975
Asia	1,507,019	921,648
China	1,316,297	550,006
India	309,623	413,834
United States	46,016	150,758
Europe	22,968	118,893
Other	273,303	64,513
Total	$7,457,388	$5,102,627

The revenue information above is based on the location of the customer.

Attachment 1-1: Financing provided to others - Star Fusion Group Co., Ltd.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	Other Receivables - related parties	Yes	$30,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	Other Receivables - related parties	Yes	$30,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	Other Receivables - related parties	Yes	$15,000	$15,000	$2,391	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Array Inc.	Other Receivables - related parties	Yes	$39,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Array Inc.	Other Receivables - related parties	Yes	$11,372	$11,372	$11,372	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Yu Chuan Intelligence Co., Ltd.	Other Receivables - related parties	Yes	$30,000	$30,000	$-	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263
0	Star Fusion Group Co., Ltd.	Yu Chuan Intelligence Co., Ltd.	Other Receivables - related parties	Yes	$15,000	$15,000	$-	3.244%	2	-	Operating capital	-	-	-	$528,947	$705,263

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is "0".
(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: The number filled in for nature of loan are as follows:
(1) Business transaction is "1".
(2) Short-term financing is "2".

Note 4: Limit of financing amount for individual counter-party shall not exceed 30% of the Company's net value; limit of total financing amount shall not exceed 40% of the Company's net asset value.

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(Expressed in thousands of NTD unless otherwise stated)

Attachment 1-2: Financing provided to others - Chander Electronics Corp.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	San Jiang Electric MFG. Co., Ltd.	Innova Vision Inc.	Other Receivables - related parties	Yes	$13,000	$-	$-	3.24%	2	-	Operating capital	-	-	-	$71,784	$143,568
1	San Jiang Electric MFG. Co., Ltd.	Luminous Rise Investment Co., Ltd.	Other Receivables - related parties	Yes	$43,000	$-	$-	3.24%	2	-	Operating capital	-	-	-	$71,784	$143,568

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: The number filled in for nature of loan are as follows:

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 4: For those who have business transactions, the total amount of loans granted by San Jiang Electric MFG. Co., Ltd. should not exceed 40% of the net value of San Jiang Electric MFG. Co., Ltd., and the individual financing amount should not exceed 10% of the net value of San Jiang Electric MFG. Co., Ltd.

Note 5: The limit on loans to a single company is as follows:

(1) For those who have business transactions, the individual limit of loans granted by San Jiang Electric MFG. Co., Ltd. should not exceed 40% of the net value of San Jiang Electric MFG. Co., Ltd.'s latest financial report, and should not exeed the total amount of business transactions between the two parties during the recent fiscal year.

(2) For short-term financing, the individual limit of loans granted by San Jiang Electric MFG. Co., Ltd. should not exceed 20% of the net value of San Jiang Electric MFG. Co., Ltd.'s latest financial report.

Attachment 1-3: Financing provided to others - Array Inc.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	Array Inc.	Array Networks, Inc. (Array US)	Accounts receivable – related parties	Yes	$25,144 (USD800)	$-	$-	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$18,858 (USD600)	$-	$-	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Networks, Inc. (Array US)	Accounts receivable – related parties	Yes	$31,430 (USD1,000)	$-	$-	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Networks, Inc. (Array US)	Accounts receivable – related parties	Yes	$25,144 (USD800)	$25,144 (USD800)	$23,903 (USD761)	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$9,429 (USD300)	$9,429 (USD300)	$8,954 (USD285)	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Networks, Inc. (Array US)	Accounts receivable – related parties	Yes	$26,716 (USD850)	$26,716 (USD850)	$26,310 (USD837)	-	2	-	Operating capital	-	-	-	$137,142	$137,142
1	Array Inc.	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$32,687 (USD1,040)	$32,687 (USD1,040)	$32,687 (USD1,040)	-	2	-	Operating capital	-	-	-	$137,142	$137,142

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is "0".
(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: Maximum outstanding balance of loans to others during the year period ended December 31, 2025

Note 4: The nature of loans to others shall be specified as either arising from business transactions or based on a necessary short-term financing need.
(1) Business transaction is "1".
(2) Short-term financing is "2".

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7 : For those who have business transactions, the individual limit of loans granted should not exceed 40% of the net value of the latest financial report audited or reviewed by independent certified public accountants.

Note 8 : The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Attachment 1-4: Financing provided to others - Array Taiwan Inc.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	Array Taiwan Inc.	Array Inc.	Accounts receivable – related parties	Yes	$15,715 (USD500)	$-	$-	-	2	-	Operating capital	-	-	-	$137,142	$137,142

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: Maximum outstanding balance of loans to others during the year period ended December 31, 2025

Note 4: The nature of loans to others shall be specified as either arising from business transactions or based on a necessary short-term financing need.

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7 : For those who have business transactions, the individual limit of loans granted should not exceed 40% of the net value of the latest financial report audited or reviewed by independent certified public accountants.

Note 8 : The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Attachment 1-5: Financing provided to others - Spectrum Electrics Corporation

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	San Jiang Electric MFG. Co., Ltd.	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$72,500	$12,500	$12,000	3.244%	2	-	Operating capital	-	-	-	$309,096	$309,096
1	San Jiang Electric MFG. Co., Ltd.	Array Inc.	Accounts receivable – related parties	Yes	$29,500	$29,500	$29,500	3.244%	2	-	Operating capital	-	-	-	$309,096	$309,096
1	San Jiang Electric MFG. Co., Ltd.	Yu Chuan Intelligence Co., Ltd.	Accounts receivable – related parties	Yes	$30,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$309,096	$309,096
1	San Jiang Electric MFG. Co., Ltd.	Luminous Rise Investment Co., Ltd.	Accounts receivable – related parties	Yes	$122,000	$-	$-	3.244%	2	-	Operating capital & necessity for Subsidiary Investment	-	-	-	$309,096	$309,096
1	San Jiang Electric MFG. Co., Ltd.	Loftstar Interactive Entertainment Inc.	Accounts receivable – related parties	Yes	$20,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$309,096	$309,096
1	San Jiang Electric MFG. Co., Ltd.	Spectrum Electrics Corporation	Accounts receivable – related parties	Yes	$40,000	$-	$-	3.244%	2	-	Operating capital	-	-	-	$309,096	$309,096

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: Maximum outstanding balance of loans to others during the year period ended December 31, 2025

Note 4: The number filled in for nature of loan are as follows:

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: For short-term financing, the individual limit of loans granted by company should not exceed 20% of the net value of it's latest financial report.

Note 8 :The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

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Attachment 1-6: Financing provided to others - Red Sunrise Co., Ltd.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	Red Sunrise Co., Ltd.	Yousing Co. Ltd.	Other Receivables - related parties	Yes	$20,000	$-	$20,000	3.244%	2	-	Operating capital	-	-	-	$90,847	$121,129
2	Red Sunrise Co., Ltd.	Array Taiwan Inc.	Other Receivables - related parties	Yes	$11,650	$-	$-	3.244%	2	-	Operating capital	-	-	-	$28,348	$37,798
2	Red Sunrise Co., Ltd.	Xsense Technology Corporation, Inc.	Other Receivables	Yes	$9,900	$-	-	3.244%	2	-	Operating capital	-	-	-	$28,348	$37,798
2	Red Sunrise Co., Ltd.	Luminous Rise Investment Co., Ltd.	Other Receivables	Yes	$15,000	$-	-	3.244%	2	-	Operating capital	-	-	-	$28,348	$37,798

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: The amount represents the loan limit that remains valid as of the financial reporting date.

Note 4: The number filled in for nature of loan are as follows:

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 5: For loans granted by Red Sunrise Co., Ltd., the cumulative amount of loans provided for business transaction purposes should not exceed 40% of the net value of the company. For those who have business transactions, the individual limit of loans granted by Red Sunrise Co., Ltd. should not exeed the total amount of business transactions between the two parties during the recent fiscal year.

For loans granted by Sun Tech Co., Ltd., the cumulative amount of loans provided for business transaction purposes should not exceed 40% of the net value of the company. For those who have business transactions, the individual limit of loans granted by Sun Tech Co., Ltd. should not exeed the total amount of business transactions between the two parties during the recent fiscal year.

Attachment 1-7: Financing provided to others - ALi Corporation

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	ALi Corporation	Jiwei Technology Ltd.	Accounts receivable – related parties	Yes	$69,000	$69,000	$69,000	3.244%	2	-	Operating capital	-	-	-	$147,682	$295,365
2	ALi (China) Corporation	ALi Corporation	Accounts receivable – related parties	Yes	$91,460	$-	$-	1%	2	-	Operating capital	-	-	-	$404,274	$404,274
3	Jiwei Technology Ltd.	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$86,000	$26,065	$26,065	3.244%	2	-	Operating capital	-	-	-	$88,955	$88,955
4	Array Holding for APGFHI Fund LPs	Loftstar Interactive Entertainment Inc.	Accounts receivable – related parties	Yes	$10,653	$10,372	-	3.244%	2	-	Operating capital	-	-	-	$41,338	$41,338
4	Array Holding for APGFHI Fund LPs	Array Taiwan Inc.	Accounts receivable – related parties	Yes	$10,700	$10,700	$10,700	3.244%	2	-	Operating capital	-	-	-	$41,338	$41,338

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is "0".
(2)The subsidiaries are numbered in order starting from '1'. The code should be the same for the same company.

Note 2: Fill in the name of account in which the loans are recognized, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the year ended December 31, 2025.

Note 4: The calculation and corresponding amount of the loan are detailed as follows.
(1) Fill in 1 for business transactions.
(2) Fill in 2 for short-term financing

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company's"Procedures for Provision of Loans", and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.
(a) For companies having short-term loans, financial limit on loans granted to others and to a single party shall not exceed 20% of the Company's net assets, and shall not exceed 10% of the Company's net assets as well as 25% of the borrower's net assets based on the most recent audited financial statements of the company respectively.
(b) ALi (China) Corporation's limit on total loans granted to others and to a single party shall both not exceed 40% of the company's net assets based on the most recent audited financial statements of the company, loans to the parent company are not subject to the restriction; however, the loan amount shall not exceed the parent company's net assets.
(c) For companies or businesses that have a short-term financing need with Jiwei Technology Ltd., the total amount of loans extended by the Company and its subsidiaries, as well as the lending limit for any individual borrower, shall not exceed 40% of the Company's net assets.
(d) For companies or businesses that have a short-term financing need with Array Holding for APGFHI Fund LPs, the total amount of loans extended by the Company and its subsidiaries, as well as the lending limit for any individual borrower, shall not exceed 40% of the Company's net assets.

Note 8 :The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Attachment 1-8: Financing provided to others - Taiwan Mask Corporation

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	Taiwan MaskCorporation	Guang Ju Holding Co.,Ltd.	Other Receivables - related parties	Yes	$800,000	$20,000	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	$20,000	$1,711,471	$1,711,471
1	Taiwan MaskCorporation	Aptos Technology Inc.	Other Receivables - related parties	Yes	$130,000	$-	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	-	$1,711,471	$1,711,471
1	Taiwan MaskCorporation	Innova Vision Inc.	Other Receivables - related parties	Yes	$50,000	$-	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	-	$1,711,471	$1,711,471
2	Guang Ju Holding Co., Ltd.	Aptos Technology Inc.	Other Receivables - related parties	Yes	$350,000	$-	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	-	$410,038	$410,038
2	Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.)	Other Receivables - related parties	Yes	$320,000	$300,000	$300,000	2.7%	2	-	Working Capital Turnover	$300,000	Promissory note	$300,000	$410,038	$410,038
2	Guang Ju Holding Co., Ltd.	Innova Vision INC.	Other Receivables - related parties	Yes	$180,000	$-	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	-	$410,038	$410,038
3	Miracle Technology CO., LTD.	Aptos Technology Inc.	Other Receivables - related parties	Yes	$170,000	$170,000	$170,000	2.7%	2	-	Working Capital Turnover	$170,000	Promissory note	$170,000	$79,547	$79,547
4	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	Other Receivables - related parties	Yes	$109,752	$62,944	$40,464	2.51%	2	-	Working Capital Turnover	-	None	-	$147,970	$147,970
5	Pilot Energy Co., Ltd.	Xsense Technology Corporation (B.V.I.)	Other Receivables - related parties	Yes	$90,000	$40,000	$40,000	2.7%	2	-	Working Capital Turnover	-	Promissory note	$40,000	$40,025	$40,025
6	ADL Energy Corp	Pilot Energy Co., Ltd.	Other Receivables - related parties	Yes	$10,000	$-	-	2.7%	2	-	Working Capital Turnover	-	Promissory note	-	$11,242	$11,242

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: Fill in the name of account in which the loans are recognized, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.
Note 3: The number filled in for nature of loan are as follows:
(1) Business transaction is "1".
(2) Short-term financing is "2".
Note 4: 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 5: 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 6: Subsidiary - Guang Ju Holding 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 7: 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 8: 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.
Note 9: Subsidiary - ADL Energy Corp Procedures for Lending Funds to Others:
(1) Total amount of loans: The total amount of the Company's loans shall not exceed 50% 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.

Attachment 1-9: Financing provided to others - Zhu International Group Inc.

NO. (Note 1)	Lender	Counter-party	Financial statement account (Note 2)	Related party	Maximum amount of current period	Ending balance	Amount actually drawn (Note4)	Interest rate	Nature of financing (Note 3)	Amount of sales to (purchases from) counter-party	Reason for short-term financing	Loss allowance	Collateral		Limit of financing amount for individual counter-party (Note 4)	Limit of financing amount (Note 4)
													Item	Value		
1	Yoshimoto Co., Ltd	DineVita Group	Accounts receivable – related parties	Yes	$20,340	$-	$-	2.200%	2	$-	Operating capital	$-	-	-	$242,081	$242,528
1	Yoshimoto Co., Ltd	Cocoro International Japan	Accounts receivable – related parties	Yes	$30,381	$30,381	$30,381	2.200%	2	$-	Operating capital	$-	-	-	$242,081	$242,528

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Name of account in which the loans are recognized including but not limited to accounts receivables-related parties, other receivables-related parties and, current account with stockholders, prepayments, and temporary payments, etc.

Note 3: The number filled in for nature of loan are as follows:

(1) Business transaction is "1".

(2) Short-term financing is "2".

Note 4: Yoshimoto Co., Ltd's limit on total loans granted to others and to a single party shall both not exceed 40% of the company's net assets based on the most recent audited financial statements of the company. However, where the borrower is a foreign subsidiary in which the parent company holds a 100% equity interest, the total amount of loans and the lending limit for any individual borrower shall not exceed 100% of the Company's net assets.

Attachment 2-1: Endorsement/Guarantee provided to others - Star Fusion Group Co., Ltd.

No. (Note 1)	Endorsor/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee to Each Guaranteed Party (Note 3)	Maximum Balance for the Period (Note 4)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee Amount to Net Equity per Latest Financial Statement	Maximum Endorsement/Guarantee Amount Allowable (Note 3)	Guarantee Provided by Parent Company (Note 7)	Guarantee Provided by A Subsidiary (Note 7)	Guarantee Provided to Subsidiaries in Mainland China (Note 7)
		Company Name	Relationship (Note 2)										
0	Star Fusion Group Co., Ltd.	Yu Chuan Intelligence Co., Ltd.	2	$1,763,158	$160,000	$160,000	$122,500	$ -	9.07%	$1,763,158	Y	N	N
0	Star Fusion Group Co., Ltd.	Luminous Rise Investment Co., Ltd.	2	$1,763,158	$220,000	$220,000	$220,000	$ -	12.48%	$1,763,158	Y	N	N

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Fill in the limits and maximum amount on endorsement/guarantee to individual guaranteed party which are in accordance with the operating procedures of endorsement/guarantee provided to others by the Company. According to the "operating procedures of endorsement/guarantee" of Star Fusion Group Co., Ltd., the total amount of endorsement/guarantee of Star Fusion Group Co., Ltd. shall not exceed 300% of the net value of Star Fusion Group Co., Ltd. for the current period and the limits on endorsement/guarantee to each guaranteed party shall not exceed 100% of the net value of Star Fusion Group Co., Ltd. for the current period.

Note 4: Year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: 'Y' represents cases of provision of endorsements/guarantees by listed parent company to subsidiary, provision by subsidiary to listed parent company, or provision to the party in Mainland China.

Attachment 2-2: Endorsement/Guarantee provided to others - Spectrum Electrics Corporation

No. (Note 1)	Endorsor/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee to Each Guaranteed Party (Note 3)	Maximum Balance for the Period (Note 4)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee Amount to Net Equity per Latest Financial Statement	Maximum Endorsement/Guarantee Amount Allowable (Note 3)	Guarantee Provided by Parent Company (Note 7)	Guarantee Provided by A Subsidiary (Note 7)	Guarantee Provided to Subsidiaries in Mainland China (Note 7)
		Company Name	Relationship (Note 2)										
1	Spectrum Electrics Corporation	San Jiang Electric MFG. Co., Ltd.	2	$2,247,446	$1,465,000	$1,465,000	$584,171	$ -	65.19%	$4,494,892	Y	N	N

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Fill in the limits and maximum amount on endorsement/guarantee to individual guaranteed party which are in accordance with the operating procedures of endorsement/guarantee provided to others by the Company. According to the "operating procedures of endorsement/guarantee" of Uniplus Electronics Co., Ltd., the total amount of endorsement/guarantee of Uniplus Electronics Co., Ltd. shall not exceed 200% of the net value of Uniplus Electronics Co., Ltd. for the current period and the limits on endorsement/guarantee to each guaranteed party shall not exceed 150% of the net value of Uniplus Electronics Co., Ltd. for the current period.

Note 4: Year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: 'Y' represents cases of provision of endorsements/guarantees by listed parent company to subsidiary, provision by subsidiary to listed parent company, or provision to the party in Mainland China.

Attachment 2-3: Endorsement/Guarantee provided to others - Array Inc.

No. (Note 1)	Endorsor/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee to Each Guaranteed Party (Note 3)	Maximum Balance for the Period (Note 4)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee Amount to Net Equity per Latest Financial Statement	Maximum Endorsement/Guarantee Amount Allowable (Note 3)	Guarantee Provided by Parent Company (Note 7)	Guarantee Provided by A Subsidiary (Note 7)	Guarantee Provided to Subsidiaries in Mainland China (Note 7)
		Company Name	Relationship (Note 2)										
1	Array Taiwan Inc.	Array Inc.	3	$342,855	$14,400	$14,400	$2,175	$ -	4.20%	$342,855	N	Y	N
2	Array Inc.	Array Taiwan Inc.	2	$342,855	$12,000	$12,000	$12,000	$ -	3.50%	$342,855	Y	N	N

Note 1: The number filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is "0".

(2) The subsdiaries are numbered in order starting from "1".

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: In accordance with Array Inc.'s Procedures for Endorsements and Guarantees, the limits applicable to external endorsements and guarantees are as follows: the total amount of endorsements and guarantees, as well as the limit for any single entity, shall be capped at the net worth of either the parent company or the guaranteed entity. The maximum limit for the current period is NT$342,855 thousand.

Note 4: Year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: 'Y' represents cases of provision of endorsements/guarantees by listed parent company to subsidiary, provision by subsidiary to listed parent company, or provision to the party in Mainland China.

Attachment 2-4: Endorsement/Guarantee provided to others - Taiwan Mask Corporation

No. (Note 1)	Endorsor/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee to Each Guaranteed Party (Note 3)	Maximum Balance for the Period (Note 4)	Ending Balance (Note 5)	Amount Actually Drawn (Note 6)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee Amount to Net Equity per Latest Financial Statement	Maximum Endorsement/Guarantee Amount Allowable (Note 3)	Guarantee Provided by Parent Company (Note 7)	Guarantee Provided by A Subsidiary (Note 7)	Guarantee Provided to Subsidiaries in Mainland China (Note 7)
		Company Name	Relationship (Note 2)										
1	Taiwan Mask Corporation	Miracle Technology CO., LTD.	2	$229,550	$132,820	$125,720	$-	$-	2.94%	$1,711,471	Y	N	N
1	Taiwan Mask Corporation	Guang Ju Holding Co., Ltd.	2	$316,849	$180,000	$180,000	$80,000	$80,000	4.21%	$1,711,471	Y	N	N
1	Taiwan Mask Corporation	Innova Vision INC.	2	$316,849	$314,000	$314,000	$278,000	$168,000	7.34%	$1,711,471	Y	N	N
1	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I)	2	$230,000	$146,000	$146,000	$146,000	$146,000	3.41%	$1,711,471	Y	N	N
1	Taiwan Mask Corporation	Pilot Energy Co., Ltd.	2	$180,000	$73,000	$73,000	$58,000	$58,000	1.74%	$1,711,471	Y	N	N
2	Miracle Technology CO., LTD.	Xsense Technology Corporation (B.V.I)	1	$86,970	$150,000	$-	$-	$-	0.00%	$79,547	N	N	N
2	Miracle Technology CO., LTD.	Aptos Technology Inc.	1	$86,970	$20,000	$-	$-	$-	0.00%	$79,547	N	N	N
3	Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I)	2	$230,000	$57,000	$57,000	$57,000	$57,000	5.56%	$410,038	Y	N	N
3	Guang Ju Holding Co., Ltd.	Pilot Energy Co., Ltd.	2	$180,000	$13,000	$-	$-	$-	0.00%	$410,038	Y	N	N
3	Guang Ju Holding Co., Ltd.	Innova Vision INC.	2	$351,000	$38,000	$-	$-	$-	0.00%	$410,038	Y	N	N
4	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3	$454,362	$233,233	$53,952	$53,952	$53,952	14.58%	$369,926	N	Y	N
4	Miko-China Enterprise (Shanghai) Co., Ltd.	Taiwan Mask Corporation	3	$454,362	$175,344	$175,344	$175,344	$175,344	47.40%	$369,926	N	Y	N

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 is 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 guaranteed by 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 - Miracle Technology Co., Ltd. Endorsement and Guarantee Procedures:

The cumulative amount of external endorsements and guarantees shall not exceed 40% of the company's net worth as stated in its most recent financial statements audited or reviewed by certified public accountants.

Note 6: Subsidiary - Guang Ju Holding Co., Ltd. Endorsement and Guarantee Procedures:

(1) The total amount of the Company's external endorsements/guarantees: shall not exceed 30% of the Company's net value.

(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.

Attachment 3: Securities held as of December 31, 2025

Names of companies held	Type of securities (Note 1)	Name of securities (Note 1)	Relationship with the Issuer (Note 2)	Financial statement account	December 31, 2025				Note (Note 4)
					Shares (in thousand)	Carrying amount (Note 3)	Shareholding (%)	Fair value	
Star Fusion Group Co., Ltd.	Stock	Taiwan Smart Card Co.	-	Financial assets at fair value through other comprehensive income, non-current	2,552	16,786	15.95	16,786	None
Star Fusion Group Co., Ltd.	Emerging stock	Meimaii Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	266	1,850	0.67	1,850	None
Star Fusion Group Co., Ltd.	Listed stock	Newretail Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	657	8,045	0.95	8,045	None
Star Fusion Group Co., Ltd.	Limited partnership	Cathy Private Equity Smart Technology Limited Partnership	-	Designated as financial assets at fair value through profit or loss, non-current	-	23,708	4.43	23,708	None
Star Fusion Group Co., Ltd.	Limited partnership	Vertex Ventures (SG) SEA V LP	-	Designated as financial assets at fair value through profit or loss, non-current	-	42,895	1.02	42,895	None
Star Fusion Group Co., Ltd.	Preferred Stock	Luminous Rise Investment Co., Ltd.	-	Designated as financial assets at fair value through profit or loss, non-current	10,200	102,000	40.00	102,000	None
Star Fusion Group Co., Ltd.	Stock	Deluxe Technology Group	-	Designated as financial assets at fair value through profit or loss, non-current	312	1,600	0.395	1,600	None
Mega Media Group Limited	Stock	Boom Fintech Inc.	-	Financial assets at fair value through other comprehensive income, non-current	250	-	9.22	-	None
Spectrum Electrics Corporation	Limited partnership	Outstanding Capital Limited Partnership	-	Designated as financial assets at fair value through profit or loss, non-current	-	28,023	4.86	28,022	None
Spectrum Electrics Corporation	Listed stock	Star Fusion Group Co., Ltd.	Parent company	Financial assets at fair value through other comprehensive income, non-current	7,771,290	378,462	7.12	378,462	None
Spectrum Electrics Corporation	Preferred Stock	Yu Chuan Intelligence Co., Ltd.	-	Financial assets at fair value through profit or loss, non-current	15,000	160,500	-	160,500	None
Spectrum Electrics Corporation	Preferred Stock	Luminous Rise Investment Co., Ltd.	-	Financial assets at fair value through profit or loss, non-current	2,000	31,060	-	31,060	None
Chander Electronics Corp.	Listed stock	Array Inc.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	2	36	-	36	None
Chander Electronics Corp.	Listed stock	Star Fusion Group Co., Ltd.	Parent company	Financial assets at fair value through other comprehensive income, non-current	4,048	197,121	3.71	197,121	None
Chander Electronics Corp.	Stock	Super Energy Materials Inc.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	4,544	78,085	9.51	78,085	None
Chander Electronics Corp.	Bonds	Star Fusion Group Co., Ltd.	Parent company	Designated as financial assets at fair value through profit or loss, non-current	400	38,800	13.33	38,800	5
Chander Electronics Corp.	Limited partnership	Cathay Private Equity Global Select Limited Partnership	-	Designated as financial assets at fair value through profit or loss, non-current	-	34,024	-	34,024	None
Chander Electronics Corp.	Listed stock	Spectrum Electrics Corporation	Other related parties	Designated as financial assets at fair value through profit or loss, non-current	1,120	27,216	0.46	27,216	None
Chander Electronics Corp.	Stock	Neweb Technologies Co., Ltd.	-	Designated as financial assets at fair value through profit or loss, current	5,379	186,996	7.12	186,996	None
Chander Electronics Corp.	Preferred Stock	Yu Chuan Intelligence Co., Ltd.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	5,000	50,350	-	50,350	None
Chander Electronics Corp.	Preferred Stock	Luminous Rise Investment Co., Ltd.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	8,500	132,005	-	132,005	None
Toptrend Technologies Corp.	Limited partnership	Wisdom Capital Limited Partnership	-	Designated as financial assets at fair value through profit or loss, non-current	-	29,560	-	29,560	None
Toptrend Technologies Corp.	Listed stock	Star Fusion Group Co., Ltd.	Parent company	Financial assets at fair value through other comprehensive income, non-current	821	39,960	0.75	39,960	None
Toptrend Technologies Corp.	Stock	Hanbang Precision Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	93	71	1.56	71	None
Toptrend Technologies Corp.	Preferred Stock	Zhu International Group Inc.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	5,000	88,750	-	88,750	None
Toptrend Technologies Corp.	Preferred Stock	Luminous Rise Investment Co., Ltd.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	3,500	54,355	-	54,355	None
Taiwan Mask Corporation	Common stock	China Steel Structure Co., Ltd.	-	Financial assets at fair value through profit or loss, current	14,299	599,128	7.15	599,128	None
Taiwan Mask Corporation	Common stock	Avision Inc. through private placement.	-	Financial assets at fair value through profit or loss, non-current	10,000	37,400	4.61	37,400	None
Taiwan Mask Corporation	Common stock	3S Silicon Tech Inc.	-	Financial assets at fair value through profit or loss, non-current	1,000	22,740	2.69	22,740	None
Taiwan Mask Corporation	Unsecured corporate bonds	Xsense Technology Corp	The parent company of the Company	Financial assets measured at amortized cost, current	-	100,000	-	100,000	None
Guang Ju Holding Co., Ltd.	Common stock	Microtek International	-	Financial assets at fair value through profit or loss, current	22,893	251,823	11.13	251,823	None
Guang Ju Holding Co., Ltd.	Common stock	Taiwan Mask	Parent company	Financial assets at fair value through profit or loss, non-current	35,331	1,248,966	11.14	1,248,966	None
Guang Ju Holding Co., Ltd.	Common stock	China Steel Structure Co., Ltd.	-	Financial assets at fair value through profit or loss, current	21,750	911,325	10.88	911,325	None
Guang Ju Holding Co., Ltd.	Common stock	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	10,000	10.00	10,000	None

English Translation of Consolidated Financial Statements Originally Issued in Chinese

STAR FUSION GROUP CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in thousands of NTD unless otherwise stated)

Attachment 3: Securities held as of December 31, 2025

Names of companies held	Type of securities (Note 1)	Name of securities (Note 1)	Relationship with the Issuer (Note 2)	Financial statement account	December 31, 2025				Note (Note 4)
					Shares (in thousand)	Carrying amount (Note 3)	Shareholding (%)	Fair value	
Guang Ju Holding Co., Ltd.	Limited partnership	B Current Impact Investment Partnership	-	Financial assets at fair value through profit or loss, non-current	1,000	10,000	-	10,000	None
Guang Ju Holding Co., Ltd.	Limited partnership	Intellectual Property Innovation Corporation Partnership Fund	-	Financial assets at fair value through profit or loss, non-current	-	17,500	-	17,500	None
Guang Ju Holding Co., Ltd.	Limited partnership	Wisdom Capital Limited Partnership	-	Financial assets at fair value through profit or loss, non-current	-	82,802	-	82,802	None
Jing Hao Investment Co., Ltd.	Common stock	G-TECH ELECTRONICS LTD.	-	Financial assets at fair value through profit or loss, non-current	1,097	-	8.08	-	None
Jing Hao Investment Co., Ltd.	Common stock	MEMCHIP TECHNOLOGY CO., LTD.	-	Financial assets at fair value through profit or loss, non-current	187	-	3.13	-	None
Aptos Technology INC.	Common stock	TOPFUN TECHNOLOGY	-	Financial assets at fair value through other comprehensive income, non-current	100	-	12.27	-	None
Miko-China Enterprise (Shanghai)	Common stock	Shenzhen He Mei Jing Yi	-	Financial assets at fair value through profit or loss, non-current	480	21,581	0.27	21,581	None
Miracle Technology CO., LTD.	Common corporate bonds	Innova Vision Inc.	Related party	Financial assets measured at amortized cost, non-current	-	30,000	-	30,000	None
Red Sunrise Co., Ltd.	Stock	Spectrum Electrics Corporation	Other related parties	Designated as financial assets at fair value through profit or loss, current	979	23,792	0.40	23,792	None
Red Sunrise Co., Ltd.	Preferred Stock	Luminous Rise Investment Co., Ltd.	Other related parties	Designated as financial assets at fair value through profit or loss, current	4,700	72,991	0.37	72,991	None
Red Sunrise Co., Ltd.	Stock	Field System Inc.	-	Financial assets at fair value through other comprehensive income, non-current	10	-	2.39	-	None
Red Sunrise Co., Ltd.	Stock	Spreadsun Information Co., Ltd.	-	Financial assets at fair value through other comprehensive income, non-current	190	-	19.00	-	None
Red Sunrise Co., Ltd.	Limited partnership	CDIB-SKM Limited Partnership	-	Designated as financial assets at fair value through profit or loss, non-current	-	8,894	-	8,894	None
Red Sunrise Co., Ltd.	Stock	Star Fusion Group Co., Ltd.	Parent company	Financial assets at fair value through other comprehensive income, non-current	440	21,428	0.40	21,428	None
ALi Corporation	Stock	MiiiCasa Holding (Cayman) Inc.	-	Financial assets at fair value through profit or loss, non-current	5,000	-	6.90	-	None
ALi Corporation	Stock	EE SOLUTIONS, Inc.	-	Financial assets at fair value through profit or loss, non-current	696	-	2.40	-	None
ALi Corporation	Beneficiary certificates	NFC Fund III, LP.	-	Financial assets at fair value through profit or loss, non-current	228,269	227,672	-	227,672	None
Ali (BVI) Microelectronics Corporation	Beneficiary certificates	CMC Capital Investment, L.P.	-	Financial assets at fair value through profit or loss, non-current	-	8,496	-	8,496	None
ALi (China) Corporation	Convertible bonds	AIXlink Ltd.	Associate	Financial assets at fair value through profit or loss, current	-	-	-	-	6
ALi Corporation	Convertible preference share	Loftstar Interactive Entertainment Inc.	-	Financial assets at fair value through profit or loss, non-current	18,500	185,000	-	185,000	None
ALi Corporation	Convertible preference share	KIWI CAMPUS INC.	-	Financial assets at fair value through profit or loss, non-current	315	24,251	0.57	24,251	None
ALi (Zhuhai) Corporation	Structured deposit	Bank of Communications yuntong wealth fixed term structured deposit for 63 days	-	Financial assets at fair value through profit or loss, current	-	26,994	-	26,994	None

Note 1: Securities on the list refer to securities such as stocks, bonds, beneficiary certificates and securities derived from those items included in IFRS 9 “Financial Instruments”.

Note 2: Fields do not have to be filled in if the security issuer is not a related party.

Note 3: Securities which were acquired by using fair value method, please fill in amount based on calculating after adjustment from fair value minus accumulated impairment; fill in the rest amount based on original acquired cost or after amortization minus accumulated impairment.

Note 4: Listed securities due to guarantees, pledged loans, or others who are restricted by agreement shall specify in the remarks column the number of guarantees or the number of shares borrowed, the amount of the guarantee or the amount of the loan, and restrictions on use.

Note 5: During the third quarter of 2024, the Company’s subsidiary, Chander Electronics Corp., purchased domestic convertible bonds, issued by the Company in the open market. The transaction has been eliminated in the preparation of the consolidated financial statements.

Note 6: The above amount of convertible bonds held by ALi (China) Corporation was fully recognized as valuation loss on December 31, 2023.

Attachment 4: Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

Creditor	Counter-party	Relationship with the counter-party	Balance of receivables from related parties	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Array US	Array Networks India Private Limited	Same parent company	Accounts receivable-related parties	-	$397,903	-	$-	$-

Attachment 5: Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Purchaser/Seller	Counter-party	Relationship with the counter-party	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Note
			Purchases/ sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Array US	Array Networks India Private Limited	Parent company	Sales	$281,082	35%	Net 90-120 days	Note 1	Not related Net 90-180 days	$397,903	62%	Note 2

Note 1 : The transaction price and payment terms are not materially different from the third party.

Note 2 : Eliminated in the consolidated financial statement.

Attachment 6: Significant intercompany transactions between consolidated entities

No. (Note 1)	Company	Counter-party	Relationship (Note 2)	Business Transactions			
				Account	Amount	Term	As a percentage of consolidated revenues (Note 3)
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Operating Revenue	$22,416	Negotiated by both parties	0.46
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Operating Costs	$6,298	Negotiated by both parties	0.13
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Accounts Receivable	$1,772	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Other Receivables	$20,893	Negotiated by both parties	0.07
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Prepayment	$-	Negotiated by both parties	0.00
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Accounts Payable	$1,657	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Other Payables	$435	Negotiated by both parties	0.00
0	Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	1	Other Income	$3,599	Negotiated by both parties	0.07
0	Star Fusion Group Co., Ltd.	Gamebase Digital Media Corporation	1	Temporary Receipts	$16,547	Negotiated by both parties	0.05
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	1	Office Equipment	$7,996	Negotiated by both parties	0.03
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	1	Other Receivables	$6,284	Negotiated by both parties	0.02
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	1	Other Income	$3,691	Negotiated by both parties	0.08
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	1	Interest income	$670	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Array Inc.	1	Other Receivables	$11,298	Negotiated by both parties	0.04
0	Star Fusion Group Co., Ltd.	Array Taiwan Inc.	1	Interest income	$540	Negotiated by both parties	0.00
0	Star Fusion Group Co., Ltd.	Spectrum Electrics Corporation	1	Other Income	$1,846	Negotiated by both parties	0.04
0	Star Fusion Group Co., Ltd.	San Jiang Electric MFG. Co., Ltd.	1	Other Payables	$1,050	Negotiated by both parties	0.00
0	Star Fusion Group Co., Ltd.	San Jiang Electric MFG. Co., Ltd.	1	Other Income	$6,049	Negotiated by both parties	0.12
0	Star Fusion Group Co., Ltd.	Red Sunrise Co., Ltd.	1	Other Income	$1,160	Negotiated by both parties	0.02
0	Star Fusion Group Co., Ltd.	Chander Electronics Corp.	1	Other Income	$2,380	Negotiated by both parties	0.05
0	Star Fusion Group Co., Ltd.	Dara Power Co., Ltd.	1	Accounts Receivable	$1,800	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Dara Power Co., Ltd.	1	Operating Revenue	$5,143	Negotiated by both parties	0.11
0	Star Fusion Group Co., Ltd.	Dara Power Co., Ltd.	1	Other Income	$1,139	Negotiated by both parties	0.02
0	Star Fusion Group Co., Ltd.	Changshin Sustainable Management Consulting Co., Ltd.	1	Accounts Payable	$525	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Zhu International Group Inc.	1	Other Receivables	$2,148	Negotiated by both parties	0.01
0	Star Fusion Group Co., Ltd.	Zhu International Group Inc.	1	Other Receivables	$401	Negotiated by both parties	0.00
0	Star Fusion Group Co., Ltd.	Zhu International Group Inc.	1	Other Income	$2,862	Negotiated by both parties	0.06
0	Star Fusion Group Co., Ltd.	ALi Corporation	1	Other Income	$1,527	Negotiated by both parties	0.03
1	Spectrum Electrics Corporation	Hang Zheng Technology Co., Ltd.	1	Rental Income	$5,241	Monthly settlement	0.11
1	Spectrum Electrics Corporation	Hang Zheng Technology Co., Ltd.	1	Other Income	$924	Monthly settlement	0.02
1	Spectrum Electrics Corporation	Hang Zheng Technology Co., Ltd.	1	Other Receivables	$3,204	Monthly settlement	0.01
1	Spectrum Electrics Corporation	Green Bless Co., Ltd.	1	Rental Income	$366	Monthly settlement	0.01
1	Spectrum Electrics Corporation	Jiu He Yi Technology Co., Ltd.	1	Rental Income	$29	Monthly settlement	0.00
2	Green Bless Co., Ltd.	San Jiang Electric MFG. Co., Ltd.	3	Sales	$52	90 days monthly settlement for sales of products	0.00
3	Chander Electronics Corp.	Yun Fang Co., Ltd.	1	Operating Revenue	$29,906	Based on regular terms	0.62
4	Array Inc.(Cayman)	Array US	1	Other Receivables-related parties	$68,375	Based on regular terms	0.22
4	Array Inc.(Cayman)	Array Taiwan Inc.	1	Other Receivables-related parties	$12,098	Based on regular terms	0.04
5	Array US	Array Networks Japan	1	Accounts Payable- related parties	$25,292	Based on regular terms	0.08
5	Array US	Array Networks India Private Limited	1	Accounts Receivable- related parties	$397,903	Based on regular terms	1.30
5	Array US	Array Networks India Private Limited	1	Operating Revenue	$281,082	Based on regular terms	5.78
5	Array US	Array Taiwan Inc.	3	Other Receivables-related parties	$74,445	Based on regular terms	0.24
6	Array Networks Japan Kabishiki Kaisha	Array US	2	Operating Revenue	$15,687	Based on regular terms	0.32
7	Taiwan Mask Corporation	Miracle Technology Co., Ltd.	1	Sales	$38,271	Same with other customers	0.79
7	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Sales	$23,852	Same with other customers	0.49
7	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Accounts Receivable	$1,488	Net 60	0.00
7	Taiwan Mask Corporation	Miracle Technology Co., Ltd.	1	Accounts Receivable	$9,266	Net 60	0.03
7	Taiwan Mask Corporation	Aptos Technology Inc.	1	Other Receivables	$134,750	Receipt and payment at an agreed time	0.44
7	Taiwan Mask Corporation	Innova Vision Inc.	1	Rental income	$19,376	Same with other customers	0.40
7	Taiwan Mask Corporation	Aptos Technology Inc.	1	Rental Income	$23,983	Same with other customers	0.49
7	Taiwan Mask Corporation	Innova Vision Inc.	1	Other Receivables	$85,022	Receipt and payment at an agreed time	0.28
7	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	1	Other Receivables	$72,665	Receipt and payment at an agreed time	0.24

Attachment 6: Significant intercompany transactions between consolidated entities

No. (Note 1)	Company	Counter-party	Relationship (Note 2)	Business Transactions			
				Account	Amount	Term	As a percentage of consolidated revenues (Note 3)
7	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	1	Rental Income	$36,452	Same with other customers	0.75
7	Taiwan Mask Corporation	Miracle Technology Co., Ltd.	1	Rental Income	$2,419	Same with other customers	0.05
7	Taiwan Mask Corporation	Guang Ju Holding Co., Ltd.	1	Interest income	$3,921	Receipt and payment at an agreed time	0.08
7	Taiwan Mask Corporation	Aptos Technology Inc.	1	Interest income	$1,098	Receipt and payment at an agreed time	0.02
7	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	1	Interest income	$3,000	Receipt and payment at an agreed time	0.06
7	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	1	Bonds Payables	$100,000	Receipt and payment at an agreed time	2.06
7	Taiwan Mask Corporation	Aiwan Laser Welding Technology Corporation	1	Other Receivables	$13,527	Receipt and payment at an agreed time	0.28
8	Miracle Technology Co., Ltd.	Aptos Technology Inc.	3	Interest income	$3,823	Receipt and payment at an agreed time	0.08
8	Miracle Technology Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Sales	$1,526	Same with other customers	0.03
8	Miracle Technology Co., Ltd.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Sales	$88,011	Same with other customers	1.81
8	Miracle Technology Co., Ltd.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Accounts Receivable	$3,864	Net 30	0.01
8	Miracle Technology Co., Ltd.	Aptos Technology Inc.	3	Other receivables (loans of funds)	$170,000	Receipt and payment at an agreed time	0.56
8	Miracle Technology Co., Ltd.	Aptos Technology Inc.	3	Other Receivables	$5,973	Receipt and payment at an agreed time	0.02
8	Miracle Technology Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	3	Sales	$21,911	Same with other customers	0.45
8	Miracle Technology Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	3	Accounts Receivable	$2,411	Net 60	0.05
8	Miracle Technology Co., Ltd.	Innova Vision Inc.	3	Bonds Payables	$35,000	Receipt and payment at an agreed time	0.72
8	Miracle Technology Co., Ltd.	Innova Vision Inc.	3	Refundable Deposit	$20,000	Receipt and payment at an agreed time	0.41
9	Guang Ju Holding Co., Ltd.	Aptos Technology Inc.	3	Other Receivables	$13,461	Receipt and payment at an agreed time	0.04
9	Guang Ju Holding Co., Ltd.	Aptos Technology Inc.	3	Interest income	$6,112	Receipt and payment at an agreed time	0.13
9	Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Other receivables (loans of funds)	$300,000	Receipt and payment at an agreed time	0.98
9	Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Other Receivables	$2,508	Receipt and payment at an agreed time	0.01
9	Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Interest income	$8,261	Receipt and payment at an agreed time	0.17
9	Guang Ju Holding Co., Ltd.	Innova Vision Inc.	3	Interest income	$1,418	Receipt and payment at an agreed time	0.03
10	Miko-China Enterprise (Shanghai)	Sichuan Miracle Power Technology Co., Ltd.	3	Other receivables (loans of funds)	$40,464	Receipt and payment at an agreed time	0.13
11	Pilot Energy Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Other receivables (loans of funds)	$40,000	Receipt and payment at an agreed time	0.13
11	Pilot Energy Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	3	Interest income	$1,079	Receipt and payment at an agreed time	0.00
12	Innova Vision Inc.	iPro Vision Inc.	3	Accounts Receivable	$10,238	Net 60	0.03
12	Innova Vision Inc.	iPro Vision Inc.	3	Sales	$17,734	Same with other customers	0.36
13	iPro Vision Inc.	Innova Vision Inc.	3	Sales	$21,650	Same with other customers	0.45
14	Digital-Can Tech. Co., Ltd.	Taiwan Mask Corporation	2	Sales	$3,338	Same with other customers	0.07
14	Digital-Can Tech. Co., Ltd.	Taiwan Mask Corporation	2	Accounts Receivable	$2,392	Net 60	0.01
15	Xsense Technology Corp	Miracle Technology Co., Ltd.	3	Sales	$4,954	Same with other customers	0.02
15	Xsense Technology Corp	Miracle Technology Co., Ltd.	3	Contract Liability	$15,000	Same with other customers	0.05
16	Sichuan Miracle Power Technology Co., Ltd.	Miracle Technology Co., Ltd.	3	Sales	$1,323	Same with other customers	0.00
17	ALi Corporation	ALi (Zhuhai) Corporation	1	Commission service revenue	$79,696	Net 180	8.35
17	ALi Corporation	ALi (Zhuhai) Corporation	1	Other Payables	$41,211	Net 180	1.26
17	ALi Corporation	ALi (China) Corporation	1	Commission service revenue	$32,417	Net 180	3.40
18	Array Inc.(Cayman)	Array US	3	Other Receivables-related parties	$93,093	Based on regular terms	12.85
18	Array Inc.(Cayman)	Array Taiwan Inc.	3	Other Payables-related parties	$68,375	Based on regular terms	9.44
19	Array US	Array Networks Japan	3	Accounts Payable- related parties	$25,292	Based on regular terms	3.49
19	Array US	Array Networks India Private Limited	3	Accounts Receivable- related parties	$397,903	Based on regular terms	54.92
19	Array US	Array Networks India Private Limited	3	Operating Revenue	$281,082	Based on regular terms	52.26
19	Array US	Array Taiwan Inc.	3	Other Payables-related parties	$74,445	Based on regular terms	10.28
20	Array Networks Japan Kabishiki Kaisha	Array US	3	Operating Revenue	$15,687	Based on regular terms	2.92

Note 1: Information about related party transactions should be stated. The numbers of each company are illustrated as follows:

1. 0 is for the parent company.
2. Each subsidiary is numbered from 1.

Note 2: Transactions are categorized into three types as follows: (There is no need to repeat the disclosure of the same transaction between the parent company and each subsidiary. For example, if the parent company has disclosed the transaction with the subsidiary, the subsidiary does not need to disclose it; if transactions between subsidiaries has been disclosed by one company, the other company does not need to disclose the transaction.

1. Parent company and subsidiary.
2. Subsidiary and Parent company.
3. Subsidiary and subsidiary.

Note 3: Transaction amount is stated as a percentage of total revenues or assets. Percentages of assets or liabilities accounts are calculated as ending balance divided by consolidated assets, and percentages of profit or loss accounts are calculated as accumulated amount for the year divided by consolidated revenues.

Attachment 7: Names, locations and related information of investee companies (Not including investment in Mainland China)

Investor company	Investee company	Location	Main business and products	Original investment amount		Investment as of December 31, 2025			Net income (loss) of investee (Note 1)	Investment income (loss) recognized (Note 1)	Note
				Ending balance	Beginning balance	Number of shares (in thousand)	Percentage of ownership (%)	Book value			
Star Fusion Group Co., Ltd.	Loftstar Interactive Entertainment Inc.	Taiwan	Software wholesale and information software services	$177,533	$157,533	16,850	100.00	$(32,586)	$(36,122)	$(36,122)	Subsidiary
Star Fusion Group Co., Ltd.	Activision Entertainment Ltd.	Taiwan	Performing arts	6,000	6,000	-	100.00	756	(43)	(43)	Subsidiary
Star Fusion Group Co., Ltd.	Red Sunrise Co., Ltd.	Taiwan	Third-party payment services	183,149	191,519	7,417	41.32	194,127	3,373	(11,605) (Note4)	Subsidiary
Star Fusion Group Co., Ltd.	Gamebase Digital Media Corporation	Taiwan	Software publishing and information software services	187,000	187,000	18,700	100.00	26,129	(50,467)	(50,467)	Subsidiary
Star Fusion Group Co., Ltd.	Softstar Animation Limited	Samoa	Investment holding	20,831	29,888	692	100.00	(1,681)	(247)	(247)	Subsidiary
Star Fusion Group Co., Ltd.	Chia-e International Inc.	Taiwan	Internet-related	20,000	20,000	814	28.21	-	- (Note3)	-	Investee accounted for using the equity method
Star Fusion Group Co., Ltd.	Time Vision International Limited	Samoa	Investment holding	87,646	79,210	2,760	100.00	40,556	(8)	(8)	Subsidiary
Star Fusion Group Co., Ltd.	Spectrum Electrics Corporation	Taiwan	Electronic component manufacturing, lamination, research and development and trade of business operation	848,608	834,110	104,797	42.85	911,726	(2,229)	72,489 (Note4)	Subsidiary
Star Fusion Group Co., Ltd.	New Profit Holding Limited	Seychelles	Investment holding	24,703	24,703	1,616	100.00	28,208	449	449	Subsidiary
Star Fusion Group Co., Ltd.	JFN Investment Holding Corp.	BVI	Investment holding	78,605	78,605	13	100.00	88,751	1,664	1,664	Subsidiary
Star Fusion Group Co., Ltd.	Lanjing Ltd.	Taiwan	Investment holding	317,318	317,118	-	100.00	371,492	7,476	7,476	Subsidiary
Star Fusion Group Co., Ltd.	Jiwei Technology Ltd.	Taiwan	Investment holding	-	229,197	-	-	-	(50,104)	(50,104)	Subsidiary
Star Fusion Group Co., Ltd.	Chander Electronics Corp.	Taiwan	Electronic products distribution	256,197	230,523	11,707	14.50	74,995	98,947	5,122 (Note4)	Subsidiary
Star Fusion Group Co., Ltd.	Double Edge Entertainment Corp.	Taiwan	Film production and media distribution	34,926	34,926	1,591	30.31	7,666	(2,348)	(712) (Note4)	Investee accounted for using the equity method
Star Fusion Group Co., Ltd.	Softstar Singapore Private Limited	Singapore	Investment holding	3,191	3,191	135	100.00	1,604	(423)	(423)	Subsidiary
Star Fusion Group Co., Ltd.	Zhu International Group Inc.	Taiwan	Catering business	315,900	166,000	31,590	100.00	204,498	(54,400)	(52,626)	Subsidiary
Star Fusion Group Co., Ltd.	Yu Chuan Intelligence Co., Ltd.	Taiwan	Investment holding	155,000	10,000	15,500	83.78	49,709	(79,042)	(66,275)	Subsidiary
Star Fusion Group Co., Ltd.	Array Inc.	British Cayman Islands	Research, development, and sales of systems related to network connectivity security and network traffic acceleration	51,600	-	2,400	3.68	51,444	(107,339)	(1,744)	Subsidiary
Star Fusion Group Co., Ltd.	GOLDEN AVENUE GROUP Ltd.	Samoa	Investment holding	-	-	-	-	-	7,803	7,803	Subsidiary
Star Fusion Group Co., Ltd.	Luminous Rise Investment Co., Ltd.	Taiwan	Investment holding	400,100	-	40,010	40.00	399,983	(113,300)	(45,336)	Subsidiary
Loftstar Interactive Entertainment Inc.	Zhu International Group Inc.	Taiwan	Catering business	-	25,000	2,500	8.40	-	(54,400)	(1,774)	Subsidiary
Loftstar Interactive Entertainment Inc.	Tomohane Co., Ltd.	Japan	Game agent	9,500	-	1,500	100.00	9,345	(142)	(142)	Subsidiary
Loftstar Interactive Entertainment Inc.	Luminous Rise Investment Co., Ltd.	Taiwan	Investment holding	130,000	-	130,000	13.00	399,983	(113,300)	(14,726)	Subsidiary
Lanjing Ltd.	Chander Electronics Corp.	Taiwan	Electronic products distribution	316,703	316,703	17,479	21.64	371,299	98,947	7,473 (Note4)	Subsidiary
Zhu International Group Inc.	Yoshimoto Co., Ltd	Japan	Catering business	262,565	182,164	12	100.00	242,528	(4,687)	(4,687)	Subsidiary
Yoshimoto Co., Ltd	Dine Vita Group	Japan	Catering business	207,156	182,164	9,847	100.00	204,596	2,656	2,656 (Note4)	Subsidiary
Yoshimoto Co., Ltd	Cocoro International Japan	Japan	Real Estate Leasing	25,040	-	3,550	100.00	21,269	3,911	3,911	Subsidiary
Jiwei Technology Ltd.	Chander Electronics Corp.	Taiwan	Electronic products distribution	-	17,480	-	-	-	98,947	575 (Note4)	Subsidiary
Jiwei Technology Ltd.	Array Holdings for APGFIII Fund LPs	British Cayman Islands	Investment holding	284,535	201,134	-	100.00	211,752	(42,362)	(42,362)	Indirect subsidiary
New Profit Holding Limited	Chander Electronics Corp.	Taiwan	Electronic products distribution	24,213	24,213	1,274	1.58	28,109	98,947	546	Subsidiary
JFN Investment Holding Corp.	Chander Electronics Corp.	Taiwan	Electronic products distribution	78,480	78,480	4,131	5.11	88,624	98,947	1,765 (Note4)	Subsidiary
Yu Chuan Intelligence Co., Ltd.	ALi Corporation	Taiwan	Research, development, design and sales of chipsets for consumer electronic products and the provision of design and intellectual property rights services for the aforementioned integrated circuits.	500,319	-	23,152	16.51	386,789	(423,155)	(58,111)	Subsidiary
Luminous Rise Investment Co., Ltd.	Taiwan Mask Corporation	Taiwan	Research, development, manufacturing and sales of photomask and integrated circuits, providing technical assistance, consultation, inspection and repair of abovementioned products, and manufacturing and buying and selling of medical equipment.	1,546,228	-	23,152	20.00	1,457,069	(1,184,514)	(102,318)	Subsidiary
Gamebase Digital Media Corporation	Niusnews Co., Ltd.	Taiwan	Advertisement and information software services	53,916	53,916	2,212	28.87	-	(1,505)	(435)	Investee accounted for using the equity method
Gamebase Digital Media Corporation	Mega Media Group Limited	Seychelles	General investment	93,260	93,260	2,800	100.00	16,551	(39,480)	(39,480)	Indirect subsidiary
Mega Media Group Limted	Niusnews Co., Ltd.	Taiwan	Advertisement and information software services	73,260	73,260	666	8.69	-	(1,505)	(131)	Investee accounted for using the equity method
Array Holdings for APGFIII Fund LPs	Array Inc.	British Cayman Islands	General investment	275,779 (Note3)	190,303	20,686	40.31	189,050	(107,207)	(40,824) (Note4)	Indirect subsidiary
Softstar Singapore Private Limited	Starlight Gaming India Private Limited	India	Game agent and marketing	3,124	3,124	800	99.99	1,548	(416)	(416)	Indirect subsidiary
Spectrum Electrics Corporation	Green Bless Co., Ltd.	Taiwan	Beauty and skincare products	94,736	94,736	2,900	100.00	7,068	(2,993)	(2,993)	Indirect subsidiary
Spectrum Electrics Corporation	Hang Zheng Technology Co., Ltd.	Taiwan	Wholesale of electronic equipments	55,000	55,000	5,500	55.00	74,556	26,434	14,539	Indirect subsidiary
Spectrum Electrics Corporation	Jiu He Yi Technology Co., Ltd.	Taiwan	Wholesale of electronic equipments	1,000	1,000	100	100.00	567	(16)	(16)	Indirect subsidiary
Spectrum Electrics Corporation	San Jiang Electric MFG. Co., Ltd.	Taiwan	Production and sale of transformers and distribution boards	1,530,127	1,293,127	35,700	100.00	1,851,479	188,811	180,567	Indirect subsidiary
Spectrum Electrics Corporation	Yu Chuan Intelligence Co., Ltd.	Taiwan	Investment holding	30,000	-	3,000	16.22	23,180	(50,684)	(8,167)	Subsidiary
Spectrum Electrics Corporation	Luminous Rise Investment Co., Ltd.	Taiwan	Investment holding	50,000	-	5,000	5.00	48,074	(31,595)	(1,579)	Subsidiary
San Jiang Electric MFG. Co., Ltd.	Luminous Rise Investment Co., Ltd.	Taiwan	Investment holding	150,000	-	15,000	15.00	144,221	(31,595)	(4,735)	Subsidiary
Red Sunrise Co., Ltd.	Sun Tech Co., Ltd.	Taiwan	Sale of vouchers and BNPL	121,000	101,000	12,100	100.00	94,494	(4,639)	(4,639)	Indirect subsidiary
Red Sunrise Co., Ltd.	Yousing Co. Ltd.	Taiwan	Wholesale and Sales of Agricultural Products	20,000	-	240	21.05	19,283	(20,437)	(717)	Investee accounted for using the equity method
Red Sunrise Co., Ltd.	Soundnet Tech Co., Ltd.	Taiwan	Design of computer software	1,820	1,820	282	100.00	-	-	-	Indirect subsidiary
Chander Electronics Corp.	Chander Electronics (HK) Corporation	Hong Kong	Distribution and trade of electronic components, integrated circuits, computer equipment and related products	126,964	118,585	32,697	100.00	17,554	(4,807)	(4,807)	Indirect subsidiary
Chander Electronics Corp.	Yun Fang Co., Ltd.	Taiwan	Tobacco, liquor, beverage, food and medical equipment wholesale and retail	5,000	5,000	500	100.00	1,801	653	537	Indirect subsidiary
Chander Electronics Corp.	Quan Zhe Metal Corp.	Taiwan	Electronic component products, information software wholesale and retail, and data processing services	3,313	3,313	331	82.81	620	-	-	Indirect subsidiary
Chander Electronics Corp.	Toptrend Technologies Corp.	Taiwan	Distribution and trade of electronic components, integrated circuits, computer equipment and related products	321,440	321,440	18,040	94.37	399,515	(1,496)	(4,334)	Indirect subsidiary
Chander Electronics Corp.	Dara Power Co., Ltd.	Taiwan	Electronic parts and components manufacturing and energy technical service	81,000	81,000	6,300	57.27	47,442	(37,941)	(20,026)	Indirect subsidiary
Chander Electronics Corp.	Changshin Sustainable Management Consulting Co., Ltd.	Taiwan	Management consulting and employment Agency Services	3,000	3,000	300	100.00	2,880	287	239	Indirect subsidiary
Chander Electronics Corp.	Changyun Co., Ltd.	Taiwan	Automobile retail and rental services	8,300	5,000	830	100.00	7,064	(1,226)	(1,239)	Indirect subsidiary
Chander Electronics Corp.	Jetfi Technology Co., Ltd.	Taiwan	Manufacture of Wired Communication Machinery and Equipment	10,000	-	1,000	13.58	10,000	(7,995)	-	Investee accounted for using the equity method
Chander Electronics Corp.	Neweb Technologies Co., Ltd.	Taiwan	Third-party payment services	-	163,911	-	-	-	42,625	6,110	(Note5)
Toptrend Technologies Corp.	Moment Semiconductor, Inc.	Taiwan	Retail and wholesale of memory products	45,000	-	4,500	52.17	10,265	(41,325)	(2,953)	Indirect subsidiary
Toptrend Technologies Corp.	Jetfi Technology Co., Ltd.	Taiwan	Manufacture of Wired Communication Machinery and Equipment	20,000	-	2,000	27.15	20,943	(7,995)	(1,456)	Investee accounted for using the equity method
Array Inc.	Array Cayman	British Cayman Islands	Investment holding	370,326	370,326	37,032	100.00	336,302	23,931	23,931	Indirect subsidiary
Array Inc.	Array Taiwan Inc.	Taiwan	Research and development of network functional platform products	50,000	30,000	5,000	100.00	(64,944)	(55,987)	(55,987)	Indirect subsidiary
Array Cayman	Array US	US	Research, manufacture and sale of Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions	189,177 (US6,019)	197,323 (US6,019)	-	100.00	336,302	(115,220)	(115,220)	Indirect subsidiary

Attachment 7: Names, locations and related information of investee companies (Not including investment in Mainland China)

Investor company	Investee company	Location	Main business and products	Original investment amount		Investment as of December 31, 2025			Net income (loss) of investee (Note 1)	Investment income (loss) recognized (Note 1)	Note
				Ending balance	Beginning balance	Number of shares (in thousand)	Percentage of ownership (%)	Book value			
			and Application Acceleration								
Array Cayman	Zentry Security Inc.	US	Zentry modernizes the secure access with enhanced security, improved productivity, and ease of use. It helps customers migrate to Zero Trust Security model from obsolete perimeter model (Firewall & VPN)	-	367,192 (US11,200)	-	99.95	-	139,151	139,151	Indirect subsidiary
Array US	Array Networks Japan Kabishiki Kaisha	Japan	Research, manufacture and sale of Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	2,006 (JPY10,000)	2,754 (JPY10,000)	200	100.00	19,084	648	648	Indirect subsidiary
Array US	Array Networks India Private Limited	India	Research, manufacture and sale of Application Delivery Controllers, high-end SSL VPN systems, Remote Desktop Access Solutions and Application Acceleration	43,989 (INR125,774)	55,144 (INR125,774)	-	100.00	69,527	(7,795)	(7,795)	Indirect subsidiary
ALi Corporation	Ali (BVI) Micronics Corporation	BVI	Investment company	3,102,325	3,102,325	101,417	100.00	404,509	(90,249)	(89,133)	Indirect subsidiary
ALi Corporation	Alitech India LLP	India	Research and development and customer technical services	5,850	5,850	-	99.00	9,514	1,390	1,376	Indirect subsidiary
ALi Corporation	Ali Innovations Corporation	Cayman Islands	Investment company	105,571	105,571	3,700	100.00	(391,768)	(8,051)	(8,051)	Indirect subsidiary
ALi Corporation	Jiwei Technology Ltd.	Cayman Islands	Investment company	531,443	-	29,880	100.00	121,026	(143,253)	(106,852)	Indirect subsidiary
ALi Corporation	Luminous Rise Investment Co., Ltd.	Taiwan	Investment holding	270,000	-	27,000	27.00	242,989	(113,300)	(30,584)	Subsidiary
Jiwei Technology Ltd.	Array Holdings for APGFIII Fund LPs	British Cayman Islands	Investment holding	-	-	-	100.00	110,235	(143,069)	(143,069)	Indirect subsidiary
Array Holdings for APGFIII Fund LPs	Array Inc.	British Cayman Islands	Investment holding	-	-	-	40.31	87,533	(356,789)	(143,822)	Indirect subsidiary
Ali (BVI) Micronics Corporation	Alitech India LLP	India	Research and development and customer technical services	52	52	-	1.00	96	1,390	14	Indirect subsidiary
Taiwan Mask Corporation	SunnyLake Park International Holdings, Inc.	BVI	Re-investment	103,045	103,045	3,120	100.00	5,674	(73)	(73)	Indirect subsidiary
Taiwan Mask Corporation	Guang Ju Holding Co., Ltd.	Taiwan	Re-investment	1,960,000	1,260,000	404,878	100.00	111,445	(1,808,643)	(625,302)	Indirect subsidiary
Taiwan Mask Corporation	Advagene Biopharma Co., Ltd.	Taiwan	Medical, R&D, manufacturing	163,715	165,686	11,997	20.20	30,760	(68,289)	(4,249)	Investee accounted for using the equity method
Taiwan Mask Corporation	Miracle Technology CO., Ltd.	Taiwan	Electronics components manufacturing, electronics materials and precision equipment distribution and power component	252,651	252,651	22,955	100.00	316,749	(235,087)	(235,087)	Indirect subsidiary
Taiwan Mask Corporation	Weida Hi-Tech Co., Ltd.	Taiwan	Display panel control chip and other module's research, design, development, manufacturing and sales	293,371	293,371	12,177	28.20	13,346	(43,762)	(5,294)	Investee accounted for using the equity method
Taiwan Mask Corporation	Innova Vision Inc.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	688,924	598,721	23,417	53.11	89,857	(139,559)	(89,957)	Indirect subsidiary
Taiwan Mask Corporation	ONE TEST SYSTEMS	US	Research, development and design of test equipment and related components	121,372	121,372	940	100.00	(48)	(84,050)	(84,050)	Indirect subsidiary
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Taiwan	Electronic parts and components and energy technical services	130,800	180,000	3,380	20.00	23,098	(129,141)	(25,828)	Indirect subsidiary
Taiwan Mask Corporation	Magpie Energy Co., Ltd.	Taiwan	Chemical Products Manufacturing	49,200	-	1,640	20.00	25,165	(111)	(22)	Indirect subsidiary
Taiwan Mask Corporation	TrueLight Corporation	Taiwan	Fiber-optic communication related products	410,400	410,400	13,500	12.11	363,237	(155,331)	(10,785)	Investee accounted for using the equity method
Taiwan Mask Corporation	Aiwan Laser Welding Technology Corporation	Taiwan	Laser welding of thick steel plates	270,000	-	27,000	100.00	220,174	(11,341)	(11,341)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Xsense Technology Corporation	BVI	Precious metal coating	325,965	325,965	1	100.00	6,075	(149)	(149)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Xsense Technology Corporation (B.V.I.)	Taiwan	Precious metal coating	-	-	12,189	53.00	(381,545)	(341,492)	(180,980)	Indirect subsidiary
Guang Ju Holding 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	28,481	47.19	(169,468)	(75,095)	(35,436)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Innova Vision Inc.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	151,533	151,533	47	0.11	344	(139,559)	(175)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Digital-Can Tech. Co., Ltd.	Taiwan	3D Printing and Plastic Mold Design	139,072	139,072	7,281	57.39	117,209	(15,761)	(9,045)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Pilot Energy Co., Ltd.	Taiwan	Electronic parts and components and energy technical services	97,183	178,500	6,572	38.89	74,533	(129,141)	(50,221)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Magpie Energy Co., Ltd.	Taiwan	Chemical Products Manufacturing	81,317	-	3,189	38.89	53,765	(111)	(43)	Indirect subsidiary
Guang Ju Holding Co., Ltd.	Moment Semiconductor, Inc.	Taiwan	Retail and wholesale of memory products	43,590	43,590	2,180	25.27	15,753	(41,325)	(20,355)	Subsidiary
Guang Ju Holding Co., Ltd.	BKS Tec Corp.	Taiwan	Electronics Components Manufacturing	30,000	30,000	6,000	38.91	-	(47,562)	(8,648)	Investee accounted for using the equity method
Aptos Technology INC.	New Sunrise Limited	Samoa	Re-investment	-	-	-	100.00	-	-	-	(Note6)
ADL Energy Corp	Aptos Global Holding Corp.	Seychelles	Re-investment	29,795	29,795	10,000	100.00	-	-	-	Indirect subsidiary
Miracle Technology CO., Ltd.	Jing Hao Investment Co., Ltd.	Taiwan	Re-investment	10,012	10,012	23,875	100.00	298,218	19,308	19,308	Indirect subsidiary
Jing Hao Investment Co., Ltd.	Miko Technology Co., Ltd	Hong Kong	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	37	37	10	100.00	6,770	(3)	(3)	Indirect subsidiary
Innova Vision Inc.	Innova Technology	Taiwan	Sales of contact lens	64,650	64,650	3,000	100.00	(1,068)	2,432	2,432	Indirect subsidiary
Innova Vision Inc.	Innova Vision (B.V.I) Inc.	BVI	Re-investment	60,157	60,157	1,000	100.00	(405)	443	443	Indirect subsidiary
Innova Vision Inc.	iPro Vision Inc.	Japan	Sales of contact lens	84,204	84,204	6	52.03	(632)	924	481	Indirect subsidiary
Innova Vision (B.V.I) Inc.	iPro Vision Inc.	Japan	Sales of contact lens	56,420	56,420	6	47.97	(582)	924	443	Indirect subsidiary
Pilot Energy Co., Ltd.	ADL Energy Corp	Taiwan	Electronic parts and components and energy technical services	413,050	413,050	9,985	100.00	28,107	(3,816)	(3,816)	Indirect subsidiary

Note 1: If the listed company set up the overseas investment company and consolidated financial statements are primary financial statements under local regulations, information about overseas investees can be disclosed only to the extent of the overseas investment company.
Note 2: If not qualified for the situation stated in Note 1, the above table should be made under rules as follows:
(1)Information about the Company's investments should be filled in the "Investee", "Location", "Main business", "Original investment" and "Investment as of December 31, 2018" columns. The relationship between the investee and the Company should be filled in the "Note" column.
(2)The net income for the year of each investee should be filled in the "Net income (loss) of investee" column.
(3)Only the investment income (loss) of subsidiaries or investees accounted for using the equity method recognized by the Company should be filled in the "Investment income (loss) recognized" column. The investment income (loss) recognized should include investment income (loss) recognized by the investee.
Note 3: The original investment was completed through share swap.
Note 4: Including the amortization of differences between the carrying amount and the fair value based the purchase price allocation reports.
Note 5: Chander Electronics Corp. resigned from all board seats of Neweb Technologies Co., Ltd. on June 30, 2025, thereby losing significant influence over Neweb Technologies Co., Ltd. and discontinuing the application of the equity method of accounting.
Note 6: As of December 31, 2025, the share capital subscription amount had not yet been remitted

Attachment 8-1: Informations on investments in Mainland China - Chander Electronics Corp.

1. The following table presents names, main businesses and products, total amount of paid-in capital, method of investment, accumulated outflow of investment from Taiwan, investment income recognized, carrying amount, and accumulated inward remittance of earnings on investment of investees in Mainland China

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as at January 1,2025	Investment flows		Accumulated outflow of investment from Taiwan as of December 31,2025	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized (Note 2)	Carrying value as of December 31,2025	Accumulated inward remittance of earnings as of December 31,2025	Note
					Outflow	Inflow							
Trendwin Electronics (Shenzhen) Corporation	Distribution and trade of electronic	HKD -	2	HKD 7,639	$-	$-	HKD 7,639	$-	-	$-	$-	$-	
(Note3)	components, integrated circuits,			(USD980)			(USD980)						
	computer equipment and related products.												
Changsha Zecheng Technology Co., Ltd.	Distribution and trade of electronic	41,313	1	30,981	10,332.00	-	41,313	(8,902)	100%	(8,545)	10,545	-	
(Note4)	components, integrated circuits,	(USD994)		(USD994)			(USD994)						
	computer equipment and related products.	(CNY2,400)			(CNY2,400)		(CNY2,400)						

2. Investment quota for Mainland China:

Accumulated investment in Mainland China as of December 31, 2025	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment in accordance with Ministry of Economic Affairs regulations (Note 5)
USD 1,974 CNY 2,400	USD 1,974 CNY 3,000	677,744

Note 1: The method for engaging in investment in Mainland China include the following：
(1) Direct investment in Mainland China with capital increase through companies registered in third region.
(2) Indirectly investment in Mainland China through companies registered in a third region (Please specify the name of company in third region)
(3) Other method.

Note 2: For the investment income (loss) recognized in current period, the investment income (loss) was determined based on the following basis:
(1) It should be noted if it is in preparation which there is no investment profit or loss.
(2) The investment income (loss) were determined based on the following basis:
A.The financial statement was audited by an international certified public accounting firm in cooperation with an R.O.C. accounting firm.
B.The financial statement was audited by the auditors of the parent company.
C.Others.

Note 3: Trendwin Electronics (Shenzhen) Corporation was liquidated in mainland China in August 2016, but the registration in the Investment Commission, MOEA has not yet been cancelled.

Note 4: All intra-group transactions, balances, income and expenses are eliminated in full uponconsolidation.

Note 5: The upper limit of investment amount in Mainland China is the higher of 60% of the net value or 60% of consolidated net value.

Attachment 8-2: Informations on investments in Mainland China - ALi Corporation

1. The following table presents names, main businesses and products, total amount of paid-in capital, method of investment, accumulated outflow of investment from Taiwan, investment income recognized, carrying amount, and accumulated inward remittance of earnings on investment of investees in Mainland China

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as at January 1,2025	Investment flows		Accumulated outflow of investment from Taiwan as of December 31,2025	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized (Note 2)	Carrying value as of December 31,2025	Accumulated inward remittance of earnings as of December 31,2025	Note
					Outflow	Inflow							
ALi (Zhuhai) Corporation	Research and development and customer technical services	$25,700	2.1	$ 21,568	-	-	$ 21,568	$(47,208)	100%	$(47,208)	$ 105,773	-	
ALi (China) Corporation	Research and development and customer technical services	83,426	2.1	134,152	-	-	134,152	(83,660)	100%	(83,660)	404,274	-	Note5
Zhuhai Feiyang Management Consulting Partnership (Limited Partnership)	Investment company	1,798	2.1	-	-	-	-	(2,304)	91.75%	(2,114)	6,991	-	Note4
ALi (Chengdu) Corporation	Research and development and customer technical services	85,424	1	95,296	-	-	95,296	(4,672)	100%	6,235	7,283	-	
Xsail Technology Co., Ltd.	Research and development and customer technical services	8,992	2.1	-	-	-	-	(11,538)	98.35%	(11,347)	37,451	-	Note4
AIXlink Ltd.	Research and development and customer technical services	144,021	2.2	84,448	-	-	84,448	(4,637)	32.32%	-	-	-	

2. Investment quota for Mainland China:

Accumulated investment in Mainland China as of December 31, 2025	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment in accordance with Ministry of Economic Affairs regulations
$335,464	$510,871	Note6

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:
(1). Directly invest in a company in Mainland China
(2). Through investing in an existing company in the third area, which then invested in the investee in Mainland China
(2.1). Through investing in ALi (BVI) Microelectronics Corporation in the third area, which then invested in the investee in Mainland China
(2.2). Through investing in ALi Innovations Corporation in the third area, which then invested in the investee in Mainland China
(3). Others

Note 2: For the investment income (loss) recognized in current period, the investment income (loss) was determined based on the following basis:
(1) It should be noted if it is in preparation which there is no investment profit or loss.
(2) The investment income (loss) were determined based on the following basis:
A.The financial statement was audited by an international certified public accounting firm in cooperation with an R.O.C. accounting firm.
B.The financial statement was audited by the auditors of the parent company.
C.Others.

Note 3: The upper limit of investment amount in Mainland China is the higher of 60% of the net value or 60% of consolidated net value.

Note 4: ALi (China) Corporation used its own capital to make capital contributions to Zhuhai Feiyang Management Consulting Partnership (Limited Partnership) and Xsail Technology Co., Ltd.

Note 5: The investment amount of US$1,290 thousand previously made by the Company in ALi (Shanghai) Corporation, which was liquidated in August 2019, has been recovered by the Company's subsidiary, ALi (China) Corporation.

Note 6: The Company received an approval letter issued by the Industrial Development Bureau of the Ministry of Economic Affairs on November 1, 2024, effective from October 24, 2024 to October 23, 2027. Hence, calculation of investment limit is not needed.

Attachment 8-3: Informations on investments in Mainland China - Taiwan Mask Corporation

1. The following table presents names, main businesses and products, total amount of paid-in capital, method of investment, accumulated outflow of investment from Taiwan, investment income recognized, carrying amount, and accumulated inward remittance of earnings on investment of investees in Mainland China

Investee Company	Main business and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as at January 1,2025	Investment flows		Accumulated outflow of investment from Taiwan as of December 31,2025	Net income (loss) of investee Company	Percentage of ownership	Investment income (loss) recognized (Note 2)	Carrying value as of December 31,2025	Accumulated inward remittance of earnings as of December 31,2025	Note
					Outflow	Inflow							
Miko-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	$23,868	100%	$23,868	$ 369,926	$93,573	Note 2 (2) C
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	1,006	100%	1,006	105,300	-	Note 2 (2) C, Note 3
Sichuan Miracle Power Technology	IC product design, production and sales	53,676	1	-	-	-	-	(45,241)	100%	(45,241)	516	-	Note 2 (2) C

2. Investment quota for Mainland China:

Name of Company	Accumulated investment in Mainland China as of December 31, 2025	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment in accordance with Ministry of Economic Affairs regulations (Note 4)
Miracle Technology CO., LTD.	$13,498	$13,498	119,321

Note 1: The method for engaging in investment in Mainland China include the following：
(1) Direct investment in Mainland China with capital increase through companies registered in third region.
(2) Indirectly investment in Mainland China through companies registered in a third region (Please specify the name of company in third region)
(3) Other method.

Note 2: For the investment income (loss) recognized in current period, the investment income (loss) was determined based on the following basis:
(1) It should be noted if it is in preparation which there is no investment profit or loss.
(2) The investment income (loss) were determined based on the following basis:
A.The financial statement was audited by an international certified public accounting firm in cooperation with an R.O.C. accounting firm.
B.The financial statement was audited by the auditors of the parent company.
C.Others.

Note 3: It was originally invested through Misun 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 4: The upper limit of investment amount in Mainland China is the higher of 60% of the net value or 60% of consolidated net value.